



Cabinet

Members of the **Cabinet** of **Gravesham Borough Council** are summoned to attend a meeting to be held Virtually on **Monday, 22 March 2021 at 7.30 pm** when the business specified in the following agenda is proposed to be transacted. Details on how Members can attend the meeting will be sent separately.

In response to COVID-19, the Government has legislated to permit remote attendance by Elected Members at formal meetings. This is conditional on other Elected Members and the public being able to hear those participating in the meeting. This meeting will be streamed live and can be watched via Gravesham Borough Council's YouTube Channel:-

www.youtube.com/graveshamtv

S Walsh
Service Manager (Communities)

Agenda

Part A

Items likely to be considered in Public

1. Apologies for absence
2. Minutes (Pages 5 - 8)
3. Declarations of Interest
4. To consider whether any items in Part A of the agenda should be considered in private or any items in Part B in public
5. Delegated Decisions - Cabinet Members
To report any decisions made by Cabinet Members under their delegated powers.
6. Housing Delivery Test (Pages 9 - 62)

7. GBC Response to EU Transition period (Pages 63 - 82)
8. Counter Fraud & Corruption Strategy (Pages 83 - 100)
9. Corporate Risk Register and Risk Management Strategy 2021-22 (Pages 101 - 170)
10. Any other business which by reason of special circumstances the Chair is of the opinion should be considered as a matter of urgency.

11. Exclusion

To move, if required, that pursuant to Section 100A (4) of the Local Government Act 1972 that the public be excluded from any items included in Part B of the agenda because it is likely in view of the nature of business to be transacted that if members of the public are present during those items, there would be disclosure to them of exempt information as defined in Part 1 of Schedule 12A of the Act.

Part B
Items likely to be considered in Private

12. Rosherville Limited Business Plan (Pages 171 - 188)
13. Gravesham Court Phase 1 (Pages 189 - 194)
14. Land at the junction of Ordnance Road and Milton Place (Pages 195 - 206)
15. Any other business which by reason of special circumstances the Chair is of the opinion should be considered as a matter of urgency.

Members

Cllr John Burden (Chair)
Cllr Lee Croxton (Vice-Chair)

Councillors: Shane Mochrie-Cox
 Lenny Rolles
 Brian Sangha
 Narinderjit Singh Thandi
 Jenny Wallace

Substitutes: To be notified

Cabinet**Monday, 22 February 2021****7.30 pm****Present:**

Cllr John Burden (Chair)
Cllr Lee Croxton (Vice-Chair)

Councillors: Shane Mochrie-Cox
 Lenny Rolles
 Brian Sangha
 Narinderjit Singh Thandi
 Jenny Wallace

Stuart Bobby	Chief Executive
Nick Brown	Director (Housing & Operations)
Kevin Burbidge	Director (Planning & Development)
Melanie Norris	Director (Communities)
Sarah Parfitt	Director (Corporate Services)
Lisa Nyon	Assistant Director (Corporate Services)
Jan Guyler	Head of Legal Shared Services
Elizabeth Thornton	Service Manager (Property & Regulatory)
Andy Rayfield	Communications Manager
Michelle Batstone	Corporate Change Manager
James Bridges	Digital Developer (Technical Support)
Ben Clarke	Committee & Scrutiny Assistant (Minutes)

76. Apologies for absence

There were no apologies for absence.

77. To sign the minutes of the previous meeting

The minutes of the meeting of Cabinet held on Monday, 01 February 2021 were signed by the Chair.

78. Declarations of Interest

Cllr Lenny Rolles declared a significant interest, in agenda item 8 – Proposed Amendments to the Articles of Association for Rosherville Limited as he was a Director on and the Chair of the Rosherville Ltd Board. Cllr Rolles agreed to leave the meeting whilst Cabinet discussed the agenda item.

Cllr Narinderjit Singh Thandi declared a significant interest, in agenda item 11 – Gurdwara Car Park and agreed to leave the meeting whilst Cabinet discussed the agenda item.

79. Delegated Decisions - Cabinet Members

Cllr Jenny Wallace informed Cabinet that she had agreed to the Revised Housing Allocation Policy and it had been circulated last Friday.

No other decisions other than those already circulated had been made.

80. GBC Response to the COVID Pandemic

The Cabinet were provided with a summary of the outcomes of the internal review that had been undertaken in relation to how the Council had responded to the COVID-19 pandemic both through the first lockdown, and subsequent lockdowns that were announced.

The Corporate Change Manager guided Members through the report and outlined key points from the following outcomes:

- Responding to the first lockdown – March 2020 to July 2020
- Subsequent lockdown period – November 2020 to date
- Maintaining Council services
- GBC Operational Activities
- Involvement with the Kent Resilience Forums
- Next Steps and future workstreams

The Corporate Change Manager advised Members that the report gave them a general overview of the Council's response to the pandemic but there would be more specific update reports submitted to each of the Cabinet Committees during the next Committee cycle. Those reports would give a more detailed update for each Portfolio and give all Members the chance to actively contribute to the discussions.

The Chair, on behalf of the Cabinet and Members from across the Council, expressed his thanks and appreciation for all of the officer's hard work in delivering vital services throughout the course of the pandemic. Many officers faced additional burdens responding to the needs of the pandemic as well as fulfilling their duties of their 'day job' but they worked exceedingly hard to support the Community and it was recognised by residents as well as Members.

The Cabinet Members agreed with the Chair's sincere thanks and voiced their interest in the detailed update reports being submitted to their respective Cabinet Committees for discussion.

The Chair thanked Members for their comments and in response to a point raised regarding officers working from home in the future, the Chair advised that the mechanisms in place had worked very well but hopefully a roadmap would soon be unveiled by the Government which would outline how to get officers safely back into the workplace.

The Cabinet noted the outcomes of the review that has been undertaken, and the future work streams identified to support the Borough's recovery from the pandemic.

81. Update against the LGA Peer Challenge Recommendations

The Cabinet were provided with an update against the recommendations made by the LGA as part of their review in October 2019 and arrangements were set out for a follow-up review by the Peer Challenge Team in March 2021.

The Chief Executive informed Members that Gravesham were the first local authority to take up the offer of a 'light touch' review to investigate what progress the Council had made against the areas of improvement and development identified by the Peer team in 2019. The follow up review would be conducted virtually by the previous Peer Challenge Team apart from the previous Officer Peer who was not available and had been replaced by an Officer Peer from Hertfordshire County Council; the Officer Peers main focus would be on Planning as that was a specific request by the Council.

The Corporate Change Manager directed Members attention to appendix two to the report which outlined the progress made against the LGA Corporate Peer Challenge recommendations. Of the twenty-seven key recommendations, twelve had been completed and fifteen had some measure of progress made against them; the Corporate Change Manager was pleased to announce that there weren't any recommendations where zero progress had been made to date.

The Corporate Change Manager further explained the process of the upcoming review and advised that once the Peer Review was completed a short report would be produced by the LGA and presented back to the Council; that report would be shared with Members in due course following its review by officers.

The Chair commended officers for all of the hard work that had gone into addressing the recommendations from the Review, but the Chair felt that the Peer Challenge Team also needed to be informed of the following:

- All of the progress made to date to ensure the Council meets its 2030 target of becoming carbon neutral
- The restructuring changes made to the Housing Team and the progress made within Housing with regards to the day-to-day roles of officers and the Housing policies

The Cabinet voiced their approval of the Council accepting a follow up review and were all confident that a positive report would be received back; any feedback that might be received would only enhance the services provided by the Council.

The Cabinet noted the progress made in respect of the agreed action plan and the arrangements for the follow-up review in March 2021.

82. Proposed amendments to the Articles of Association for Rosherville Limited

The Chief Executive set out the proposed amendments to the Articles of Association for Rosherville Limited for Member approval:

- Article 3 (1) be updated to reflect that Rosherville Limited would continue to have five Directors but for subsidiary companies, there would be a requirement to have three Directors

- Article 11 (2) be updated to reflect that the quorate for Rosherville Limited would continue to be three Directors, including one officer Director, and for the subsidiary companies, the quorate would be two officer Directors

The Chief Executive advised that Cabinet approval was also being sought to provide delegated authority to the Leader of the Executive, in consultation with the Chief Executive, regarding future appointment to the Boards for both the Holding Company and the subsidiary companies.

Resolved that the Cabinet:

- Approved the updated Articles of Association as set out in appendix two to this report

Delegated authority or the appointment and approval of Directors, in line with the revised Articles of Association to the Leader of the Executive in consultation with the Chief Executive

83. Exclusion

The Chair moved that pursuant to Section 100A (4) of the Local Government Act 1972 that the public be excluded from any items included in Part B of the agenda because it was likely in view of the nature of business to be transacted that if members of the public were present during those items, there would be disclosure to them of exempt information as defined in Part 1 of Schedule 12A of the Act.

84. Gurdwara Car Park

The Service Manager (Property and Regulatory) sought the Cabinets approval to the terms provisionally agreed on the Gurdwara car park lease renewal.

The Service Manager (Property and Regulatory) informed Cabinet that the Gurdwara approached the Council a couple of months ago to commence negotiations on a new lease; the terms of the lease could be found at section two of the report. There were a few amendments to the original lease agreement, but they were considerable acceptable, and the recommendation was to approve the agreement based on those terms.

The Chair advised that the terms seemed fair and the car park was very popular with local shoppers.

Resolved that the Cabinet approved entering into a new lease on the terms provisionally agreed.

Close of meeting

The meeting ended at 19:59pm.

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Cabinet
Date: 22 March 2021
Reporting officer: Planning Manager (Policy)
Subject: Housing Delivery Test

Purpose and summary of report:

To update Cabinet on the Housing Delivery Test 2020 measurement for Gravesham published on 19 January 2021 and seek approval to publish the Housing Delivery Test Action Plan (Appendix 2).

Recommendations:

1. Approve the Housing Delivery Test Action Plan (Appendix 2)
2. Give delegated authority to the Assistant Director (Planning) in consultation with the lead Member for the Strategic Environment to make minor alterations to the document prior to publication.

1. Background

1.1 The Housing Delivery Test was introduced by the Government in 2018, via:

- a revised National Planning Policy Framework (NPPF) (July 2018),
- the Housing Delivery Test Measurement Rule Book (July 2018), and
- updated Planning Practice Guidance (PPG) (September 2018)

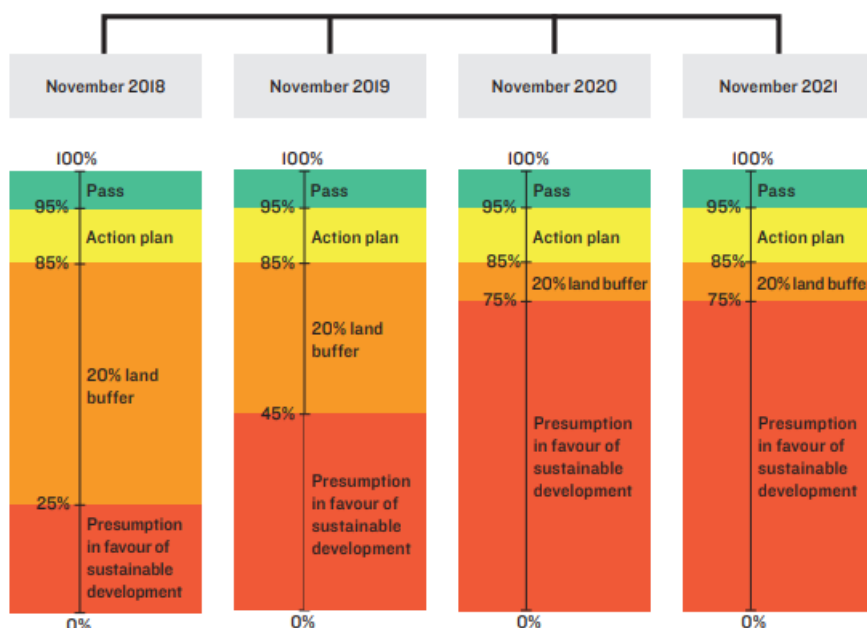
1.2 The National Planning Policy Framework and Planning Practice Guidance have been subsequently updated, however the Housing Delivery Test has been retained. The Housing Delivery Test measures the net additional dwellings built in a local authority's area against the number of dwellings required over the preceding three financial years. The Housing Delivery Test does not take into consideration the planning permissions granted by the local planning authority, nor does it take into account that the Council has no direct powers to force developers to deliver permitted planning applications.

1.3 The Council's only realistic option in relation to this is the compulsory acquisition of land. Once acquired the land can then be marketed for development. There are, of course, costs associated with a Compulsory Purchase Order. Usually the most significant cost is the market value element of the statutory compensation. This means that for any CPO the Council wishes to undertake, suitable budgetary provision would need to be made for the actual legal and administrative costs of making the CPO, and for those items of compensation in addition to the market

value of the land. As such undertaking a CPO can be prohibitive especially in a climate of budgetary pressures induced as a result of the pandemic and changes to local government funding made by Government.

- 1.4 The aim of the Housing Delivery Test is to increase the delivery of housing in England and to meet the Government's delivery target of 300,000 dwellings per year by the mid-2020s.

Figure 1: Summary of Annex 1 – National Planning Policy Framework, Housing Delivery Test transitional arrangements, Lichfields, 2018.



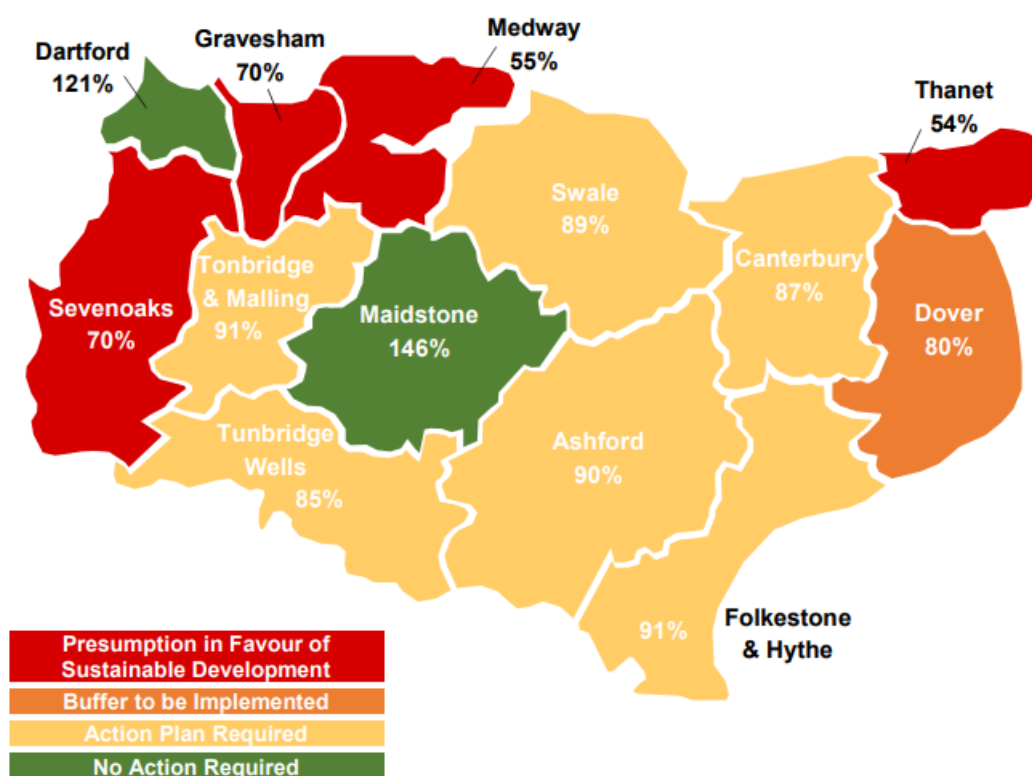
- 1.5 As illustrated by Figure 1, the Government implemented transitional arrangements when the Housing Delivery Test was introduced. The main difference relates to the threshold for when the presumption in favour of sustainable development is engaged. For the 2018 Housing Delivery Test measurement this threshold was set at 25%, for the 2019 Housing Delivery Test measurement it was set at 45% and for the 2020 Housing Delivery Test measurement and every subsequent year the threshold has been set at 75%.
- 1.6 Table 1 sets out the results of the Housing Delivery Test measurement published by Government as they pertain to Gravesham. For 2018 and 2019 the measurement resulted in a 20% land buffer being applied to the Borough's five year land supply dwelling requirement and the need to have a Housing Delivery Test action plan in place. The outcome of the 2020 measurement for Gravesham is that:
 - A Housing Delivery Test Action Plan is required
 - A 20% land buffer has to be applied to the Borough's five year land supply dwelling requirement
 - For decision-taking on planning applications the presumption in favour of sustainable development applies.
- 1.7 Due to the impact of the pandemic during the 2019/2020 measurement year and the first national lockdown, announced on 23 March 2020, the Government reduced the 'homes required' within the 2019/2020 year in the Housing Delivery Test by a month. The Government has advised that they are considering if further

adjustments should be made for the 2020/2021 measurement year, although they recognise that the construction and housing sectors have continued to operate whilst other sectors of the economy have been severely impacted by subsequent lockdowns.

Table 1: Housing Delivery Test Measurements for 2018, 2019 and 2020 – Gravesham only, MHCLG

Housing Delivery Test Measurement Year	Total number of homes required	Total number of homes delivered	Housing Delivery Test measurement	Housing Delivery Test outcome
2018	975	622	64%	20% land buffer and action plan
2019	975	734	75%	20% land buffer and action plan
2020	1,043	731	70%	20% land buffer, action plan and presumption in favour of sustainable development

Figure 2: Housing Delivery Test Measurement 2020, Kent, Source: Strutt & Parker



- 1.8 An overview of the position in Kent is provided at Figure 2, three other local authorities are in a similar position to Gravesham, and these are Sevenoaks, Medway and Thanet.

2. Housing Delivery Test Action Plan

- 2.1 Local planning authorities are required by Government to produce a Housing Delivery Test action plan when the Housing Delivery Test measurement identifies that housing delivery is below 95% of their housing requirement. The purpose of such action plans is to identify the reasons for under delivery and to explore ways of addressing these matters in order to improve levels of housing delivery.
- 2.2 The Government identifies a number of areas that could be reviewed to analyse under-delivery, these are:
- barriers to early commencement after planning permission is granted and whether such sites are delivered within permitted timescales;
 - barriers to delivery on sites identified as part of the 5 year land supply (such as land banking, scheme viability, affordable housing requirements, pre-commencement conditions, lengthy section 106 negotiations, infrastructure and utilities provision, involvement of statutory consultees etc.);
 - whether sufficient planning permissions are being granted and whether they are determined within statutory time limits;
 - whether the mix of sites identified is proving effective in delivering at the anticipated rate.
 - whether proactive pre-planning application discussions are taking place to speed up determination periods;
 - the level of ongoing engagement with key stakeholders (for example, landowners, developers, utility providers and statutory consultees), to identify more land and encourage an increased pace of delivery;
 - whether particular issues, such as infrastructure or transport, could be addressed at a strategic level - within the authority, but also with neighbouring and upper tier authorities where applicable.
- 2.3 The Council over the recent past has undertaken a number of measures to improve the planning service, including addressing points raised by the LGA Corporate Peer Challenge (January 2020), a report on the latter was taken to Cabinet on 22 February 2021.
- 2.4 The draft Housing Delivery Test action plan (2020) is available at Appendix 2, it is an evolution of the Council's previously adopted action plan. The Council has been actively working to improve the perception of the Borough and to capitalise on regeneration opportunities in and around Gravesend Town Centre. Reef Group has recently gained permission to bring forward residential development at The Charter, working on behalf of the Council's local authority trading company, Rosherville Ltd. The Council is also working on bringing forward development on a number of sites within its sphere of influence, these include:
- St Georges Phase 2
 - Former Lord Street Car Park
 - Parrock Street Car Park

- Civic Centre / Woodville Halls
 - Wickes, Stuart Road
 - Milton Road, Gravesend
- 2.5 The Council's Housing Strategy and Development team are also tasked with bringing forward affordable housing within the Borough, a snapshot of some of their current schemes is provided below:
- Valley Drive (48 dwellings)
 - Whitehill and Nansen Road (32 dwellings)
 - Bishops Court, St Particks Gardens (23 dwellings)
 - Arnold Avenue (1 wheelchair accessible bungalow)
 - Constable Road (7 bungalows, including a wheelchair accessible bungalow with improvements to local amenity space and a children's playground)
 - Barr Road (1 wheelchair accessible bungalow)
 - Wilberforce Way (1 dwelling)
- 2.6 As a Council we have also been working proactively with developers and other parties such as the Ebbsfleet Development Corporation through the pre-application and application process to bring forward develop that accords with the Borough's adopted Development Plan and other material considerations. Examples of this include:
- Former Gravesend And North Kent Hospital (M Block) (resolution to grant planning permission)
 - Clifton Slipways, West Street (Planning application permitted 4/12/2020)
 - Albion Waterside (Planning application anticipated March 2021)
 - Ebbsfleet Central (Northfleet Rise) / Thames Way
- 2.7 The Council also has a Development Sites Implementation Group, which works with stakeholders and developers to identify and overcome (where practicable) impediments to delivery, reducing the time between permission and build. To assist with this Full Council approved the restructure proposals put forward by the Chief Executive, which from the 1 April introduces the role of Assistant Director (Regeneration). This role will be specifically tasked with realising the benefits associated with the suite of already established development projects and, crucially, in delivering future inward investment into Gravesham in the shape of new development opportunities for the benefit of local residents and businesses.
- 2.8 As mentioned earlier, in early 2020, the UK encountered an exponential growth in the number of confirmed cases of people testing positive for Covid-19. Throughout 2020 and during the early part of 2021, the Government has had to enact measures to reduce the spread of the virus. These measures have created socio-economic and housing delivery issues that will need to be addressed moving forward. This not only affects Gravesham, but the wider sub-regional, regional and national economies. At present it is far too early to understand what the implications of the pandemic will be on the housing delivery sector moving forward. However, previous economic shocks, such as the 2008 global financial crisis impacted the delivery of housing for many years and still influences development within the Borough today. The impacts relate to both the supply and demand side of the housing delivery sector.

3. 20% Land Buffer and the Borough's Five Year Land Supply

3.1 Local planning authorities are required by Government to produce a five year housing land supply statement to demonstrate that a supply of specific deliverable sites exists to provide five years' worth of housing (with an appropriate buffer applied) against a local planning authorities housing requirement/local housing need figure. Para. 73 of the Framework sets out that, *"the supply of specific deliverable sites should include a buffer (moved forward from later in the plan period) of:*

- *5% to ensure choice and competition in the market for land; or*
- *10% where the local planning authority wishes to demonstrate a five year supply of deliverable sites through an annual position statement or recently adopted plan, to account for any fluctuations in the market during that year; or*
- *20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply (as measured against the Housing Delivery Test)."*

3.2 The Council's five year housing land supply statement is available on its website, the current edition is appended at Appendix 3. It shows that against a local housing need figure with a 20% buffer applied of 3,930 dwellings, the Council can only currently demonstrate a supply of 3,574 dwellings, which equates to a land supply of 3.27 years, and not 5 years. To meet the Government's requirement of ensuring up-to-date Local Plans are in place by 2023 and to address the land supply issues within the Borough, the Council is currently progressing work on its emerging Local Plan, which was the subject of a Regulation 18 Stage 2 consultation between October-December 2020.

4. The Presumption in Favour of Sustainable Development

4.1 Paragraph 11 of the National Planning Policy Framework sets out the presumption in favour of sustainable development, which was brought in by the Government to significantly increase the amount of housing being delivered within England. This is to be achieved by limiting the scenarios through which residential development could be refused and to reduce the delays encountered in permitting residential development. Para. 10 identifies that it is at the heart of the Framework. For decision-taking on planning applications as set out in Para. 11 C and D, this means:

"Approving development proposals that accord with an up-to-date development plan without delay; or where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date¹, granting permission unless:

¹¹ This includes, for applications involving the provision of housing, situations where the local planning authority cannot demonstrate a five year supply of deliverable housing sites (with the appropriate buffer, as set out in paragraph 73); or where the Housing Delivery Test indicates that the delivery of housing was substantially below (less than 75% of) the housing requirement over the previous three years. Transitional arrangements for the Housing Delivery Test are set out in Annex 1 of the Framework.

- i. *the application of policies in the Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed²; or*
 - ii. *any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole."*
- 4.2 In locations where the presumption of sustainable development applies, such as Gravesham, the 'tilted balance' in favour of sustainable residential development must be taken into consideration when determining planning applications. In short, this means that development proposals in-line with up-to-date policies in a Development Plan should be granted without delay. Where this is not the case, they should be granted without delay unless, the Framework provides a clear reason for refusal in terms of areas or assets of particular importance or unless it can be clearly demonstrated that the adverse impacts of the proposal significantly outweigh its benefits, when considered against the Framework taken as a whole.
- 4.3 The use of the 'tilted balance' can be demonstrated by a recent planning application (APP/W4705/V/18/3208020) dealt with by the Secretary of State for Housing, Communities and Local Government, rather than the local planning authority (the City of Bradford Metropolitan District Council). The secretary of state agreed with the inspector that green belt land would be needed to meet identified housing requirements in the City of Bradford and that the site could be developed without harm to the integrity of the wider green belt in maintaining separation between settlements. On this basis, he found exceptional circumstances for permitting housing development in the green belt, finding that the site was well related to a growth settlement. The secretary of state accepted that a poor housing supply position engaged the tilted balance in favour of development in national policy.
- 4.4 In another recent example, the 'tilted balance' was applied in Bromley by the Planning Inspectorate when considering a planning application at a former Bowls Club (appeal reference APP/G5180/W/20/3249202). Whilst the proposal was on open space, the Planning Inspector determining the appeal concluded that the tilted balance as set out in the Framework had to be applied in favour of sustainable development in the light of a shortfall in housing supply including care home accommodation and that this outweighed the identified conflict with the development plan arising from only moderate harm from the loss of a protected open space.
- 4.5 It should be noted that the Housing Delivery Test is not the only test for invoking the presumption in favour of sustainable development. Another test set out within the National Planning Policy Framework is the ability of a local planning authority to demonstrate a five-year supply of deliverable housing sites. If this cannot be demonstrated, this in itself invokes the presumption in favour of sustainable development.

² The policies referred to are those in the Framework (rather than those in development plans) relating to: habitats sites (and those sites listed in paragraph 176) and/or designated as Sites of Special Scientific Interest; land designated as Green Belt, Local Green Space, an Area of Outstanding Natural Beauty, a National Park (or within the Broads Authority) or defined as Heritage Coast; irreplaceable habitats; designated heritage assets (and other heritage assets of archaeological interest referred to in footnote 63); and areas at risk of flooding or coastal change.

- 4.6 Until such a time that the Council is able to demonstrate a five year land supply for the provision of housing and until developers deliver more than 75% of the Borough's housing land supply (averaged over a preceding three year period), the Council will continue to have the presumption in favour of sustainable development imposed on decision-taking for planning applications.
- 4.7 The Borough's Planning Committee have been aware for some time that the Council cannot demonstrate a five year land supply for the provision of housing and the need to apply the presumption in favour of sustainable development.
- 4.8 For example for planning application 20171245 (Site of Battle of Britain, Coldharbour Road, Northfleet). This planning application came forward in controversial circumstances due to the unauthorised demolition of the Battle of Britain public house (PH) around 11 October 2016, whilst the Prior Notification of Proposed Demolition Application was under consideration by the Council. The Council refused this prior notification application. However, the subsequent application for residential development had to be considered on its own merits and in terms of planning matters only i.e. the Development Plan and material planning considerations such as the Framework.
- 4.9 The planning application for residential development at the site of the Battle of Britain public house, was considered by Members at Planning Committee (formerly Regulatory Board) on 8 January 2020. Both Cllrs C Rolles and S Mochrie-Cox spoke at the meeting, reflecting the views of their ward residents who considered the former public house to be a local landmark that was worthy of retention, and raised concerns regarding the proposal in terms of:
- the design, scale and bulk of the proposal
 - overlooking/loss of privacy of the school
 - delivery of affordable housing and community facilities
 - increased congestion and local parking pressures
 - rewarding developers who break the rules
- 4.10 A robust debate was held at the meeting, with the officer's report which sets out the planning legislation, policies, material considerations and stakeholder views being considered. The case officer's report, included a recommendation based on their professional planning judgement, this was that the application be permitted subject to conditions and the completion of a s106 legal agreement. Paras 6.30-6.35 of the report set out that the Council is unable to demonstrate a five year housing land supply and, due to this, the presumption in favour of sustainable development is engaged, and that the proposal did not fall within Para 11(d) of the Framework when considered against limb i. or ii. As such the officer contended, that para 11(c) of the Framework was engaged, and that the proposal should be approved without delay as it accorded with up-to-date development plan policies.
- 4.11 The consideration of the tilted balance in terms of sustainable development is not unique to the above application. For example, for planning application 20200478 (100c Wrotham Road, Gravesend, Kent), the tilted balance was considered by Members. The proposal was for 2 new dwellings; the case officer advised Members that these additional dwellings should be afforded some weight, but that the proposal was contrary to para 11(c) of the Framework and engaged para 11(d) and limb ii of the Framework. As such, the proposal was contrary to the adopted Development Plan and the Framework, in terms of the latter, this was in

reference 127, 130 and 132 of the Framework, which relate to achieving well-designed places.

- 4.12 The tilted balance has not been extensively referred to in major planning applications for residential development. This is mainly due to those planning applications falling within para 11(c) of the Framework i.e. the proposals have been in general conformity to the Borough's adopted Development Plan or refused utilising up-to-date policies from the Development Plan.
- 4.13 To further increase the supply of housing, the Government has recently consulted upon a proposed new permitted development right for the change of use from Commercial, Business and Service use to residential to create new homes via the prior approval process. If enacted as consulted upon, these changes would mean that the following matters could not be taken into consideration and addressed:
- Decent room or flat sizes (but this is promised)
 - Privacy
 - Outlook
 - Amenity space
 - Car parking
 - Refuse facilities
 - Cycle Storage
 - Safe access
 - Delivery of affordable Housing

5. BACKGROUND PAPERS

- 5.1 Planning Committee – Wednesday 8 January 2020
- 5.2 Cabinet – Monday 22 February 2021
- 5.3 Council – Tuesday 23 February 2021
- 5.4 Government Consultation - Supporting housing delivery and public service infrastructure - <https://www.gov.uk/government/consultations/supporting-housing-delivery-and-public-service-infrastructure/supporting-housing-delivery-and-public-service-infrastructure>

Anyone wishing to inspect background papers should, in the first place, be directed to Committee & Electoral Services who will make the necessary arrangements.

IMPLICATIONS	APPENDIX 1
Legal	Paragraph 75 of the National Planning Policy Framework (2019) provides that "where the Housing Delivery Test indicates that delivery has fallen below 95% of the local planning authority's housing requirement over the previous three years, the authority should prepare an action plan in line with national planning guidance, to assess the causes of under delivery and identify actions to increase delivery in future years". The Council has not met its target for 2015-18 and as such has triggered the need to prepare an action plan. The Planning Practice Guidance (PPG) states that "any area may wish to produce an action plan as a matter of good practice or to identify processes to exceed housing requirements and support delivery". The Housing Delivery Action Plan is not a statutory document and therefore does not require independent examination or formal approval. There is no legal obligation to publicly consult on the Housing Delivery Action Plan. The Housing Delivery Action Plan may be considered a material consideration in the determination of planning applications.
Finance and Value for Money	Upon publication of the Housing Delivery Action Plan officer time will be required to continue with the actions identified in the document, including delivery and monitoring of the aims, objectives and actions as well as the publication of the document on the website. Associated staff time and costs will be managed within the current establishment and existing service budgets. Any costs resulting from delivering the Housing Delivery Action Plan will be funded from existing services and budgets. This includes any annual updates in line with national planning policy as outlined in the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG).
Risk Assessment	There is no requirement to get a Housing Delivery Action Plan checked or "signed off" in any way, nor to submit it to the government. Councils just need to publish them, with appropriate signposting, on their own website.
Data Protection Impact Assessment	<i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i> a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data? A definition of each type of data can be found on the Information Commissioner's Office website via the above links. b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A - the answer to question a. is 'No.' c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk.
Equality Impact Assessment	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer.

	No
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer. Yes – Delivery of homes meet the housing requirements of the Borough's residents including BME, LGBTQ and other groups.
	<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>
Corporate Plan	#1 People – Quality of living – Deliver an ambitious and diverse programme of building #2 Place – Vibrant economy – Positively promote sustainable development
Climate Change	There are no Climate Change considerations pertaining to this report, although the delivery of homes does have Climate Change impacts which are addressed through other measures such as the adopted Development Plan and emerging Local Plan.
Crime and Disorder	There are no Crime and Disorder considerations pertaining to this report.
Digital and website implications	Subject to approval the Council's website will be updated with the Housing Delivery Test Action Plan (Appendix 2)
Safeguarding children and vulnerable adults	There are no "safeguarding children and vulnerable adults" implications pertaining to this report.

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Gravesham Borough Council

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Housing Delivery Action Plan March 2020

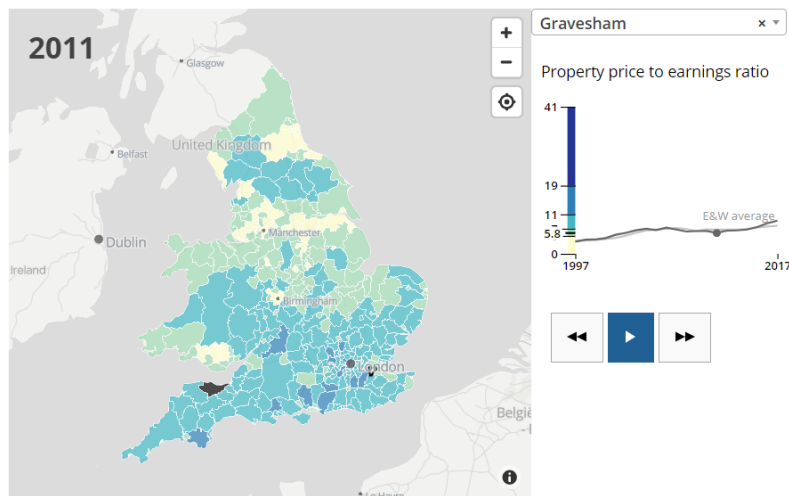
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Introduction

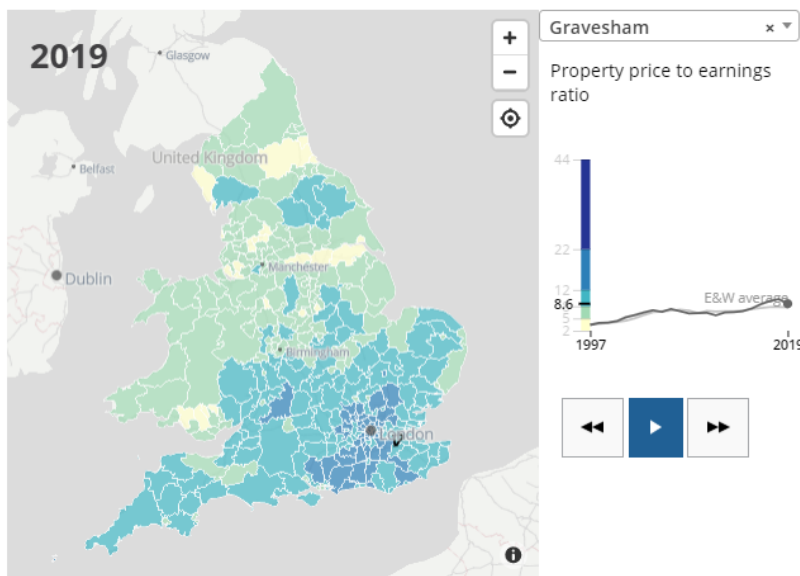
It is widely accepted that we are experiencing a national housing crisis. The lack of supply and pressure for new homes is felt most acutely in the South East of England, where demand is such that households are having to put ever greater shares of their income into housing costs. This is illustrated by ONS data, see Figure 1 and Figure 2, which illustrate the growing disparity between property prices and earnings. As time has progressed, greater multiples of income are required to meet housing costs illustrating that affordability in the South East is worsening, as well as in Gravesham. One of the main reasons for property prices increasing is due to supply being unable to keep pace with demand.

Figure 1: ONS House Price Statistics for England and Wales 2011



Source: House Price Statistics for Small Areas and Annual Survey of Hours and Earnings, ONS

Figure 2: ONS House Price Statistics for England and Wales 2019



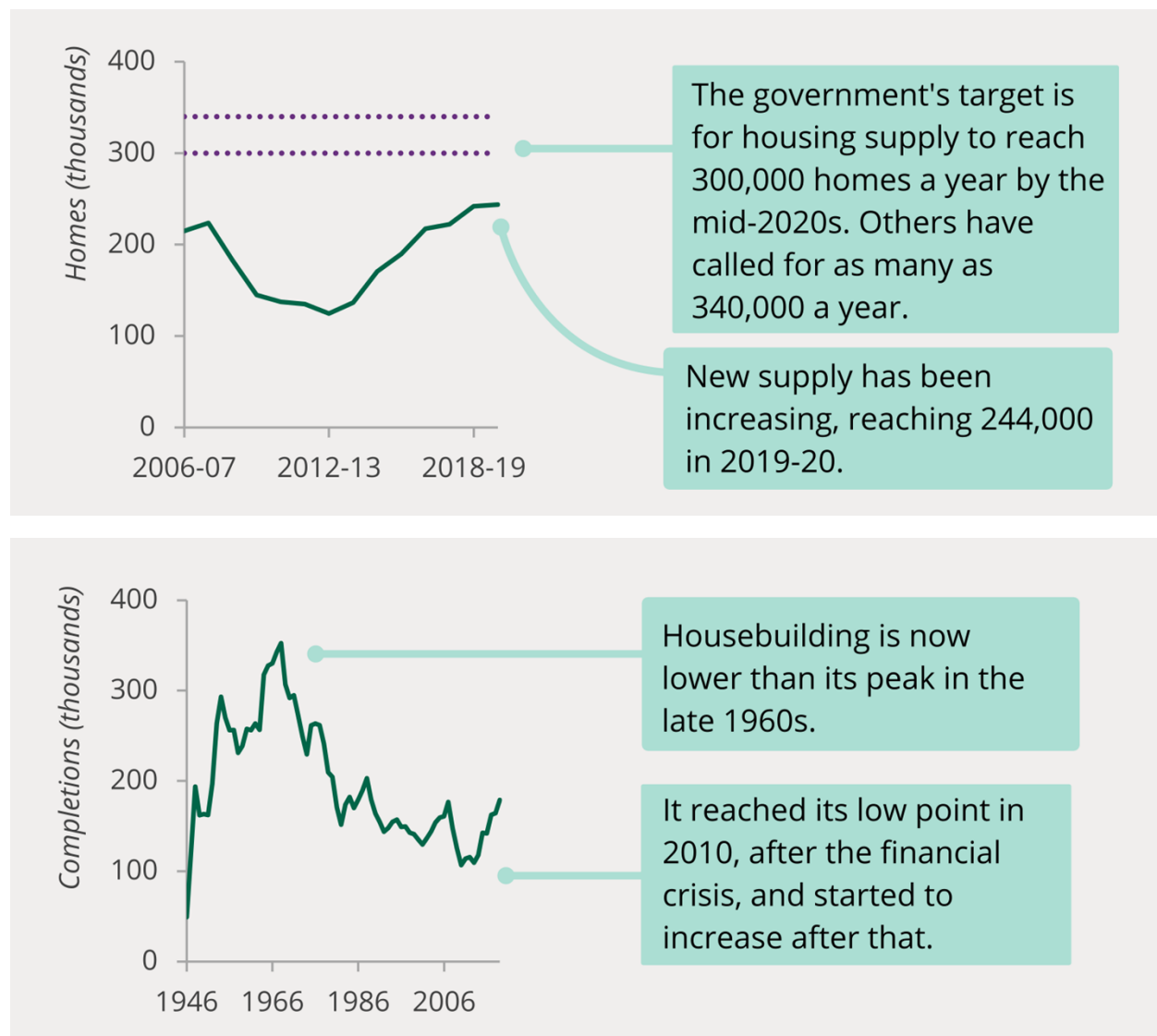
Source: House Price Statistics for Small Areas and Annual Survey of Hours and Earnings, ONS

Successive Governments have recognised insufficient housing supply as a key issue facing the country, the current Government published its white paper on the issue, "Fixing our broken

housing market” in February 2017. As part of the white paper, the then Prime Minister made it clear that her Government wanted more homes built to slow the rise in house prices so that more families can afford to buy a home and to also bring down the cost of renting.

This objective to increase the number of new homes, is reflected in the revised National Planning Policy Framework (NPPF February 2019). The Housing Delivery Test was introduced as part of the revisions to the NPPF in 2018, with subsequent changes to Planning Practice Guidance in December 2020 and the standard method for assessing local housing need, to plan for the delivery of 300,000 new homes a year and plan for more homes in the right places. As illustrated in Figure 3 the supply of homes in England has consistently been below the range of estimated need.

Figure 3: Net housing supply and estimated homes needed (England)



Sources: House of Commons Library, Tackling the under-supply of housing in England (01/21).

The National Planning Policy Framework (NPPF) requires local planning authorities to maintain a supply of deliverable sites sufficient to provide 5 years' worth of housing against their housing requirement. A Housing Delivery Test (HDT), measures net additional dwellings provided in a local planning authority area against the houses required. The consequences of failing the HDT are set out in the NPPF as being:

“Where the Housing Delivery Test indicates that delivery has fallen below 95% of the local planning authority's housing requirement over the previous three years, the authority should prepare an action plan in line with national planning guidance, to assess the causes of under delivery and identify actions to increase delivery in future years... (in addition) Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies, or against their local housing need where the strategic policies are more than five years old. The supply of specific deliverable sites should in addition include a buffer (moved forward from later in the plan period) of:

- a) 5% to ensure choice and competition in the market for land; or
- b) 10% where the local planning authority wishes to demonstrate a five year supply of deliverable sites through an annual position statement or recently adopted plan, to account for any fluctuations in the market during that year; or
- c) 20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply.. [From November 2018, this will be measured against the Housing Delivery Test, where this indicates that delivery was below 85% of the housing requirement.]”

All local planning authorities with a result of less than 95% of the delivery rate measured against housing completions for the preceding three years have six months to prepare an Action Plan. The Housing Delivery Test Result for Gravesham Borough Council was published by MHCLG on 19 January 2021. Gravesham Borough Council's 2020 measurement is 70%. This means that the Council has to apply:

- the presumption in favour of sustainable development in decision making of planning applications for residential development;
- a 20% buffer to its housing need as set out in the 5 year land supply statement;
- produce a Housing Delivery Action Plan.

The Action Plan is described in Planning Practice Guidance as being:

“A document produced by the local planning authority to reflect challenges and identify actions to address under-delivery against the housing requirement in the area. The document's purpose is to detail the reasons for under-delivery and the steps the authority intends to take in mitigation and drive up delivery in the area. A good action plan will identify ways to reduce the risk of further under-delivery and set out the case for measures to maintain or improve levels of delivery.”

By preparing an Action Plan, the Council is positively responding to the challenge of increasing its housing delivery. The Action Plan is intended to be a focussed document that identifies practical measures for improving local housing delivery and is informed by local evidence and research of key issues. Much of this local evidence and research will be published as part of the Council's Authority Monitoring Report.

Housing Delivery in Gravesham

Planning context

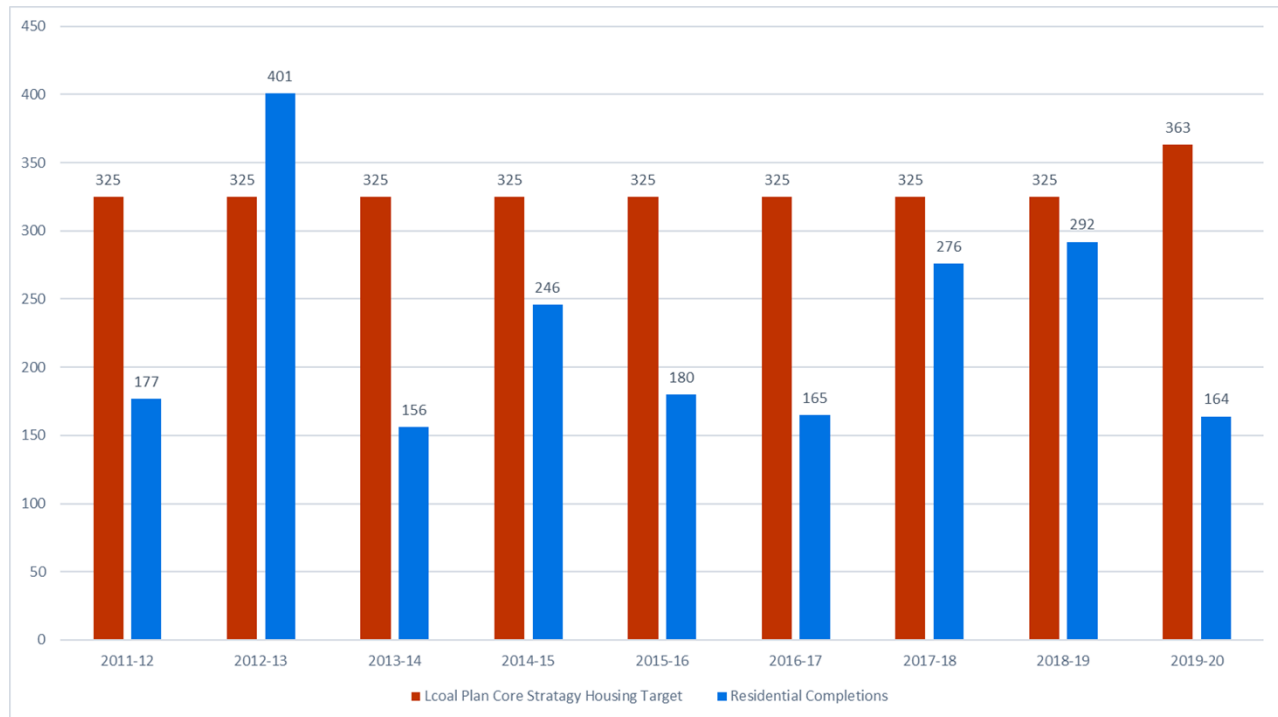
Local planning context including local plan status and approach to growth

The Development Plan for Gravesham consists of:

- Gravesham Local Plan Core Strategy (September 2014)
- Saved policies from the Gravesham Local Plan First Review (GLP 1st Review – adopted November 1994)
- Kent Minerals and Waste Local Plan 2013-2030 (adopted by Kent Country Council in July 2016) and the Early Partial Review adopted September 2020
- South East Marine Plan

Strategic guidance related to how much residential development should be planned for was previously set out in the Gravesham Local Plan Core Strategy. The Core Strategy sets out the Council's long-term spatial vision for the Borough, the plan period extends from April 2011 to March 2028. The Borough's housing requirement for this period is identified as being for at least 6,170 homes, the Core Strategy also identifies the areas where major change is expected to take place and allocates Key Sites for development. Monitoring data from the Authority Monitoring Reports and Borough's Five Year Land Supply Statements, clearly shows that since 1st April 2011, the Borough has only met or exceeded the number of homes needed on one occasion (2012-2013), see

Figure 4.

Figure 4: Net dwellings completed in Gravesham 2011-2020

The Local Plan Core Strategy prioritises development in the urban area as a sustainable location for development, to be achieved by:

- Promoting regeneration by prioritising the redevelopment and recycling of underused, derelict and previously developed land in the urban area. This will be principally through redevelopment of former industrial sites in the opportunity areas of Northfleet Embankment and Swanscombe Peninsula East and Gravesham Riverside East and North East Gravesend to create new residential neighbourhoods and employment areas;
- The continued development of a new, sustainable, mixed-use community in the Ebbsfleet (Gravesham) Opportunity Area, which will include the provision of high quality employment floorspace;
- Revitalising the Gravesend Town Centre Opportunity Area as a focal point for retail, leisure, cultural and tourism facilities and small scale office provision to serve the needs of the Borough whilst preserving and enhancing its character as a riverside heritage town; and
- Bringing forward a range of suitable sites in other parts of the urban area for residential and employment development, including land at the Coldharbour Road Key Site.

In the rural area, development is supported within rural settlements inset from the Green Belt. Outside of those settlements development, including that for affordable housing and proposals to maintain and diversify the rural economy is supported where it is compatible with the Core Strategy and National Planning Policy Framework.

The adopted Core Strategy includes a proposal to undertake a Green Belt boundary review to identify additional land to meet the housing needs of the Borough and to safeguard land to meet development needs beyond the plan period whilst maintaining national and local planning purposes of the Green Belt. This piece of work forms part of the emerging Local Plan which was consulted upon during October-December 2020. As set out in the Part 1: Local Plan Core Strategy Partial Review and Site Allocations consultation document, there is a need for some 10,480 dwellings in the Borough between 2020-2036, at an annual rate of 655 dwellings per annum. As set out in the Borough's current 5 year land supply statement, the Council can only demonstrate a supply of 2,574 dwellings between 2020-2025, which is equivalent to 3.27 years of need, which for the 5 year land supply period is 3,930 dwellings (with a 20% buffer applied).

Ebbsfleet Development Corporation

The Government recognised the significant growth challenge in North Kent and determined that a dedicated resource with significant financial support was needed. The Ebbsfleet Development Corporation was formed in early 2015 and took over responsibility for making decisions on planning applications in some parts of the Borough on 1 July 2015, see <https://www.gov.uk/government/organisations/ebbsfleet-development-corporation/about> .

The Government's explanation of the Ebbsfleet Development Corporation is:

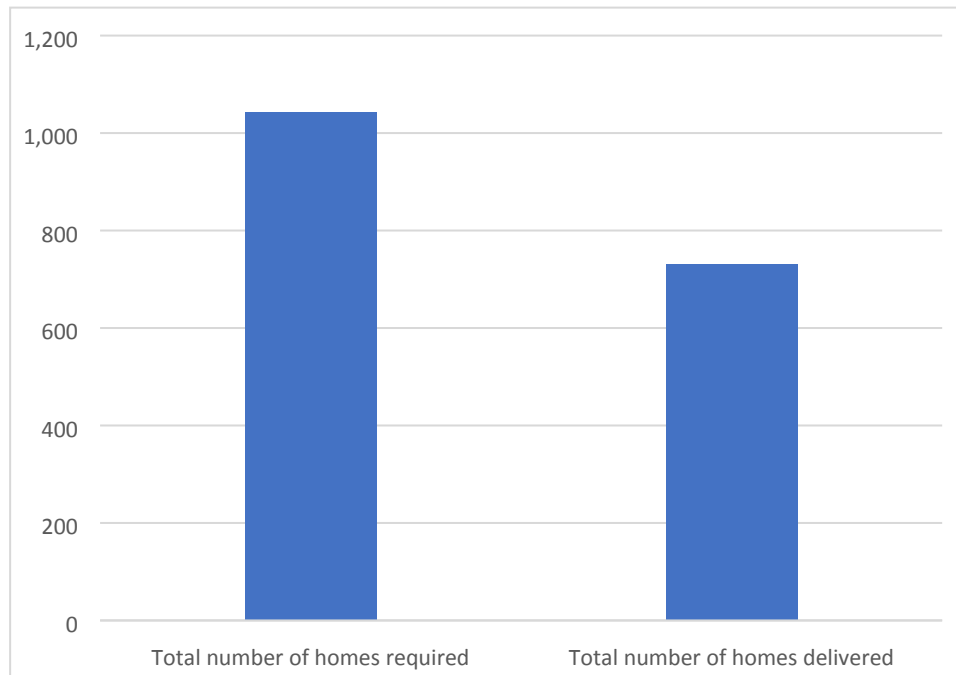
To speed up delivery of up homes and jobs in North Kent through the creation of a 21st century garden city in North Kent. The stated aim of the EDC is to deliver up to 15,000 homes and 30,000 new jobs through working with local authorities and local communities to develop a shared vision for the area, providing high quality, attractive and sustainably-constructed housing as well as opportunities to live and work. The EDC are also taking forward a core infrastructure investment programme that will deliver gas and electricity networks, telecoms, water services and the highways people need.

The Ebbsfleet Development Corporation have recently purchased the land which constitutes Ebbsfleet Central (an area that falls within Dartford and Gravesham) and are currently preparing a masterplan to bring forward a mixed use development. In addition to this, the Ebbsfleet Development Corporation are investigating opportunities for development in Northfleet through the reconfiguration of Blue Lake and the Northfleet Waste Water Treatment Works.

Housing Delivery Test Measurement and Five Year Land Supply

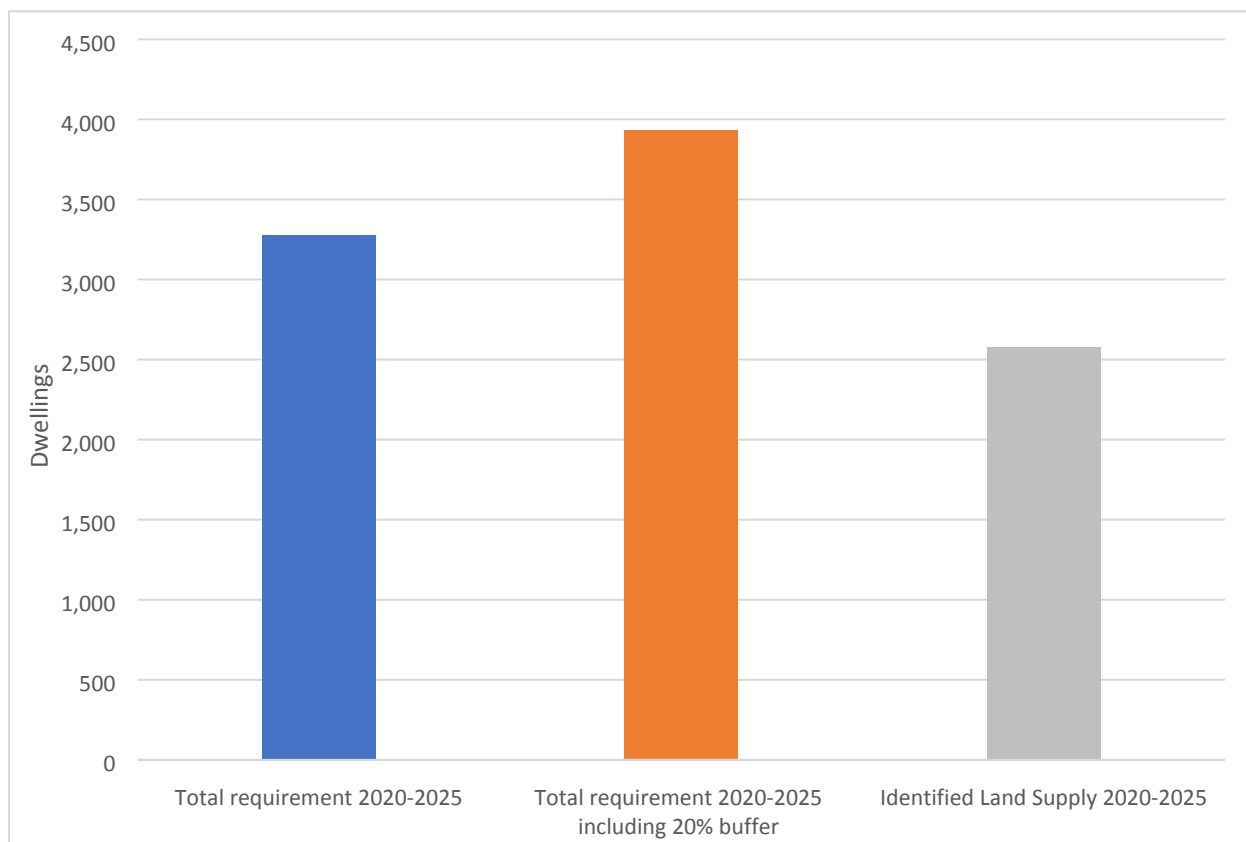
The Housing Delivery Test Measurement as published by MHCLG shows that over the preceding three years 1st April 2017 – 31st March 2020 only 70% of the dwellings needed in the Borough as set out in the Local Plan Core Strategy were delivered, this is illustrated by Figure 5.

Figure 5: Dwellings supplied 2017–2020 compared with the Local Plan Core Strategy Dwelling Requirement for 2017-2020.



As stated previously, the Borough's most recent 5 Year Land Supply Statement for 1st April 2020 – 31st March 2025 identifies a requirement to plan for 3,275 dwellings without a buffer, and 3,930 homes with a 20% buffer applied as required by the National Planning Policy Framework. Against this requirement the current identified land supply is only capable of delivering 2,574 homes, i.e. against a 5 year land supply requirement, the Council is only able to demonstrate a 3.27 year land supply, see

Figure 6.

Figure 6: Five Year Land Supply – 1st April 2020 – 31st March 2025

Land Supply to 2036

The 2020 Draft Strategic Housing Land Availability Assessment (SHLAA) identified 118 sites which benefit from planning permission, are allocated in the Local Plan Core Strategy (2014) or are brownfield sites within the Urban Area, which are capable of delivering housing between 2020-2036. These sites are identified as having the potential to deliver 7,506 homes. The vast majority of these are expected to come forward from sites within the urban area, with only a limited number expected to come forward from the rural area.

The draft SHLAA estimates that 796 windfall dwellings will come forward in the Borough between 2020-2036, 396 windfall dwellings on small windfall sites and 400 on large windfall sites. The draft SHLAA contains a number of greenfield and Green Belt sites that have been identified as having the potential to deliver housing, subject to them formally being identified as a site allocations, subject to Development Plan and National Planning Policy Framework constraints being relaxed. As such these sites are not considered to currently form part of the Borough's land supply.

An analysis of the size of sites which contribute to the anticipated future housing supply from 1 April 2020 to 31 March 2036 as set out above is illustrated in Figure 7,

Figure 8 and

Figure 9. It shows that 97.7% of dwellings are on major development sites, which are defined by the NPPF as having a capacity of ten or more dwellings. 91.7% are on sites with a capacity of 100 dwellings or more. Only 2% of dwellings are on small sites of between 1 and 9 dwellings.

Figure 7: 2020 Land Supply – Number of sites by scale of site in terms of dwellings 2020-2036

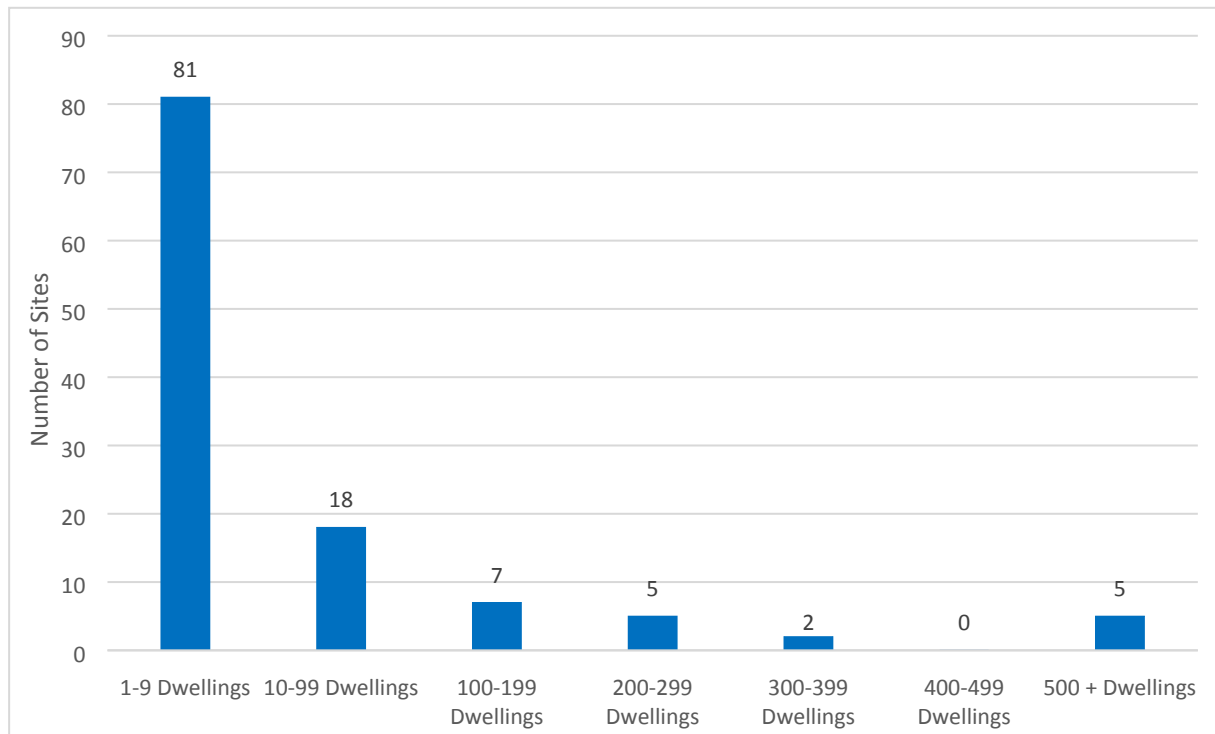


Figure 8: 2020 Land Supply - Number of Dwellings by scale of site in terms of dwellings 2020-2036

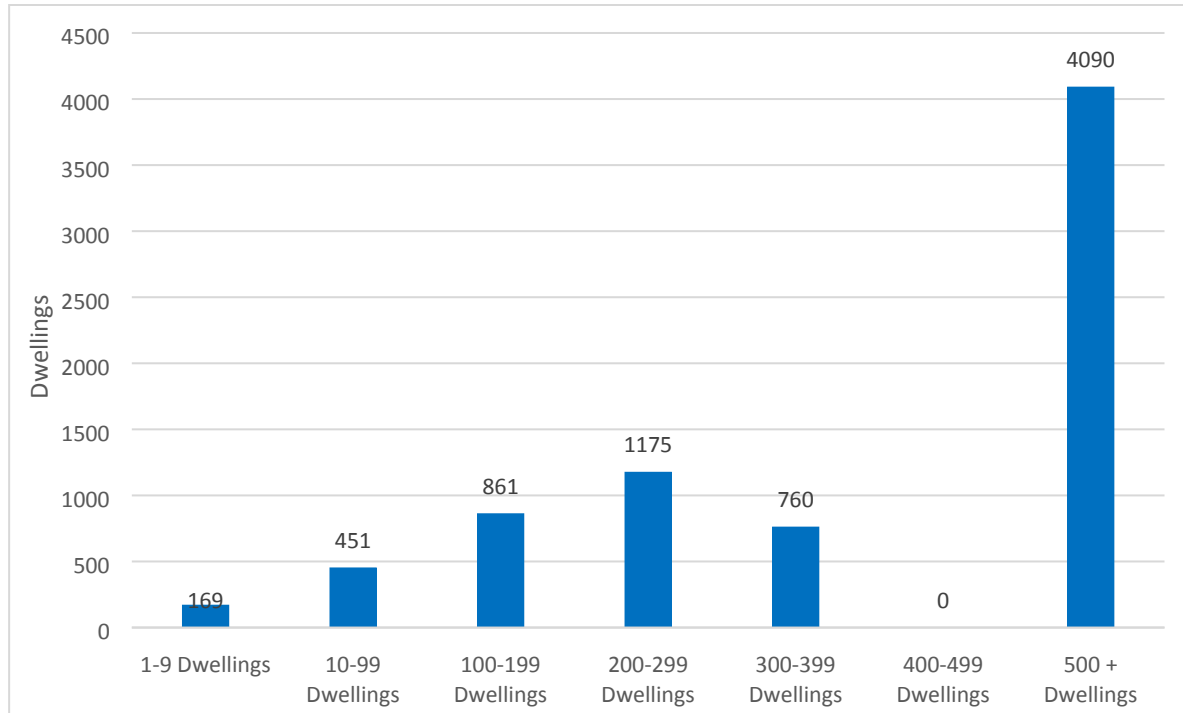
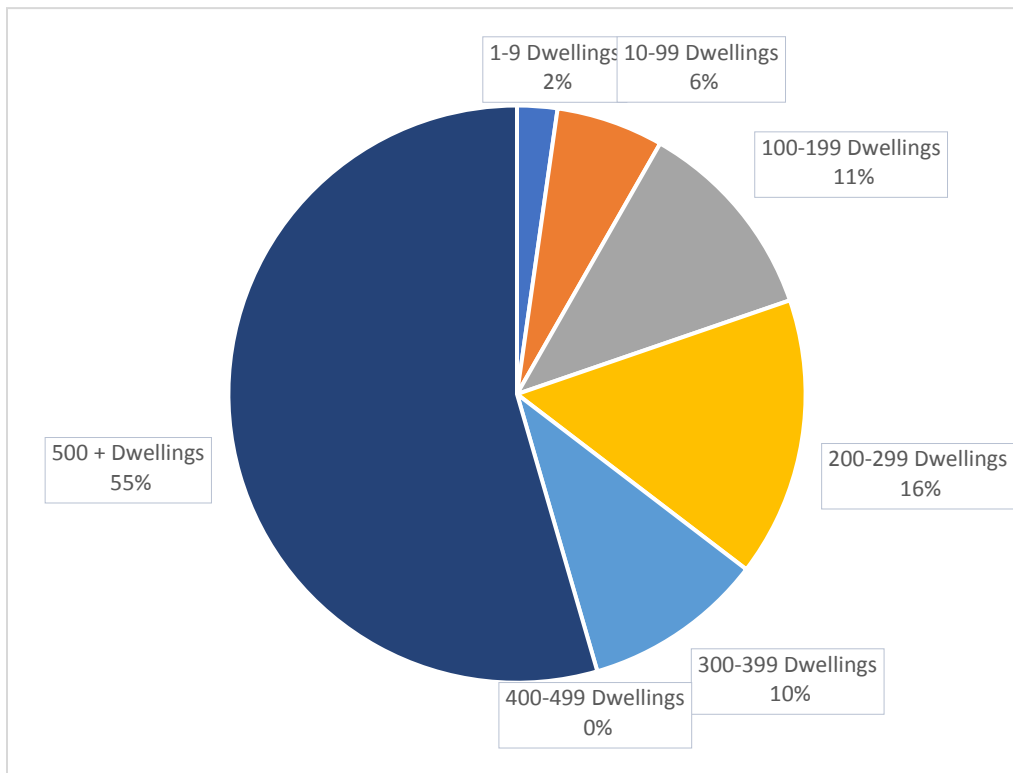


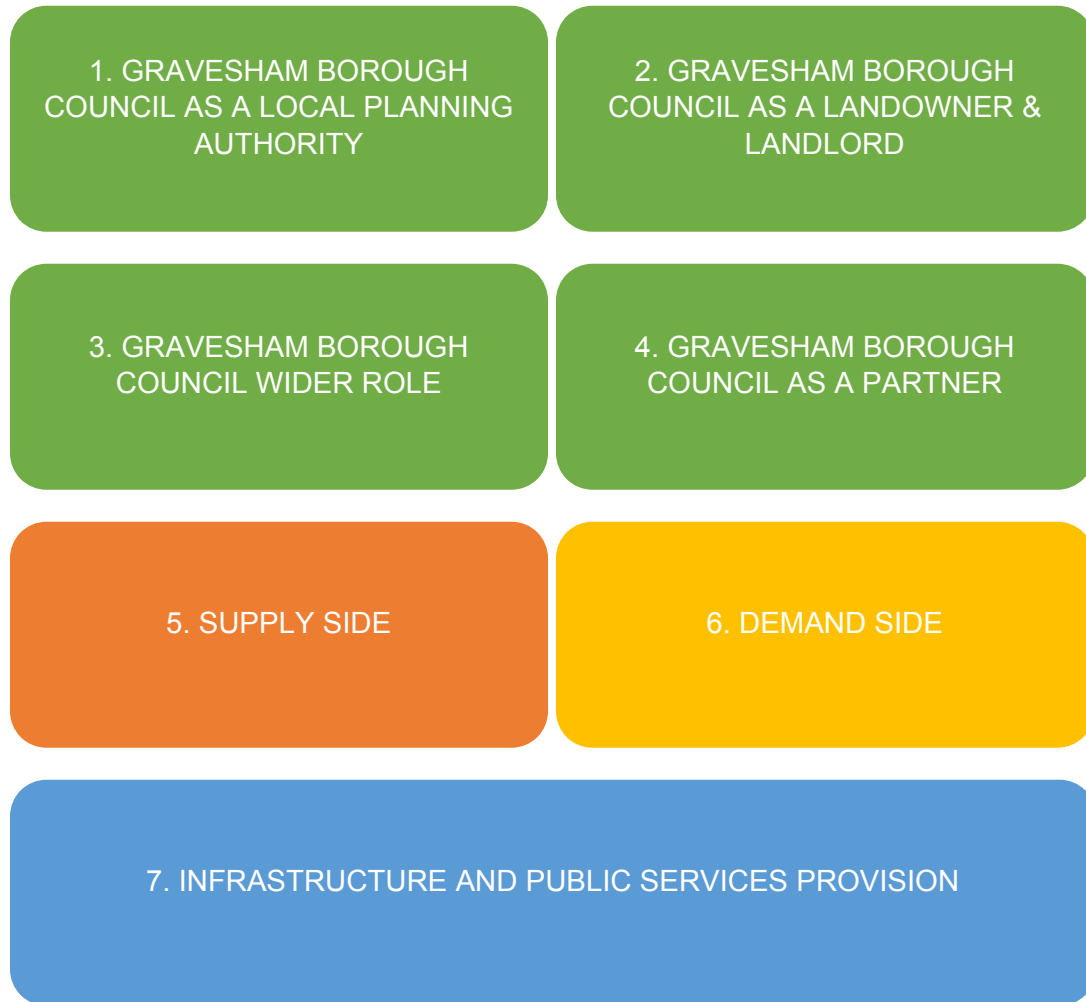
Figure 9: 2020 Land Supply – Percentage of dwellings coming forward by scale of site in terms of dwellings 2020-2036



What are we going to do to ensure more homes are built within Gravesham?

The Council has a number of responsibilities, many of which can directly influence how many homes are built locally, as illustrated in Figure 10.

Figure 10: Understanding the Council's role and key factors influencing and driving low rates of housing delivery.



1. Gravesham Borough Council as a Local Planning Authority

The Borough Council is the plan making authority for Gravesham, however in terms of decision taking for planning applications the responsibility is split between the Council and Ebbsfleet

Development Corporation. The area for which the Ebbsfleet Development Corporation is responsible for is set out at <https://ebbsfleetdc.org.uk/planning/development-area/> and includes parts of Dartford Borough.

In terms of plan making, the Borough Council is progressing work on an emerging Local Plan, which includes a Partial Review of the Local Plan Core Strategy Partial Review, Site Allocations and a Development Management Policies Document. This will contribute towards boosting local housing delivery by providing a greater mix of sites to assist developers in delivering the right sizes, types and tenure of homes in the Borough.

Current Local Plan Core Strategy policies being reviewed that will assist in boosting housing and economic development in the Borough include:

- Policy CS02: Scale and Distribution of Development
- Policy CS07: Economy, Employment and Skills
- Policy CS08: Retail, Leisure and the Hierarchy of Centres

The Council's Planning Policy team is working proactively with stakeholders such as the local community, developers and partners to ensure that this work is completed by 2021 and submitted to the Planning Inspectorate for examination.

As part of the evidence that underpins Local Plan monitoring and the evidence needed to support the Local Plan Core Strategy partial review, the Council monitors when development is implemented and when it is completed. This data has shown that, at times, there is a significant lag between when permission is granted and when development begins on site. This is a very important factor to understand and counter. To address these issues the Council has set up a 'Development Sites Implementation Group', the objective of this group is to identify any barriers to delivery and to work with developers, landowners and other departments within the Council to overcome barriers that may exist to bring sites forward for development.

One of the key pieces of evidence being undertaken to underpin the Local Plan Core Strategy partial review and the Site Allocations and Development Management Policies document going forward, is a Strategic Housing Land Availability Assessment (SHLAA). This SHLAA will identify the potential for intensification of the density of development, identify additional possible development sites within the Borough and assist the Council in promoting these for development. It will also assist the Council in improving our understanding why development on some sites, such as sites allocated within the Local Plan Core Strategy, has been slow to come forward.

The responsibility for effective decision taking in terms of Development Management is split within the Borough as advised earlier and whilst the Borough Council works effectively with colleagues in the Ebbsfleet Development Corporation, this Action Plan does not cover the Corporation. In terms of Development Management, Planning Agents, Developers and Landowners have raised concerns regarding the length of time it can take for decisions to be made. The speed of decision taking is influenced by a number of factors, these include the quality of applications received by the Council, resources available internally, performance of IT infrastructure and software, effectiveness of officers, etc. A number of actions have been undertaken internally to improve performance and this is reflected in the improving feedback received and demonstrated through the backlog of applications reducing.

However, the Council is acutely aware that more can be done in this area. Some of the actions currently being undertaken to improve the service further include:

- Developing a local validation list (**Completed**)
- Developing an accredited agent scheme to foster good working relations between the council and planning agents and to promote the quality planning submissions (to be progressed).
- Continually reviewing the use of planning conditions to ensure:
 - Number of conditions used is minimised (at same time recognising that very often conditions are imposed due to a reluctance from developers to submit information prior to a planning application being determined, because the submission of information will be a cost to the developer with no guarantee that permission will be granted)
 - Use of pre-commencement conditions is reduced,
 - Delays in processing discharge applications is minimised, and
 - Producing standard list of planning conditions which are transparent to applicants, agents, Members and public
- Making the Planning Obligations process more transparent, the Council has published an Infrastructure Funding Statement and will bring forward a Supplementary Planning Document to assist when resources allow
- Keeping the backlog of applications to a minimum – it is recognised that due to unforeseen difficulties there may always be some applications that are not dealt with within the set or agreed time limits (ongoing)
- Improve information disseminated through the Council's website (ongoing)
- Investigating whether text message updates used for licensing can be extended to planning applications – multiple benefits to customer and the Council (to be progressed).
- Addressing data quality within and functioning of the current planning system used by the Council (ongoing)
- Maintaining a fully resourced and skilled workforce (ongoing)
- Having a realistic and flexible approach to tenure mix to accelerate delivery (continued improvement is sought through a number of avenues)

Examples of measures already taken in terms of Development Management include:

- Investment in Information Communication Technology
 - much of the planning application process is paperless. Multiple benefits for Council and the environment
 - flexible working enabled and enhanced to enable home working as a result of Covid-19, please see the [Strategic Environment Cabinet Portfolio Impact report taken to Strategic Environment Cabinet Committee in June 2020](#)
 - devices can be taken on site to enable pictures to be taken and plans to be checked without need for paper
- Introduced Planning Performance Agreements to direct and tailor resources for determining potentially more complex applications, covering all aspects of the planning process from the pre-application stage to the discharging of conditions.
- A re-freshed pre-application advice service which explicitly advises the resource to be provided for each service level. Includes addition of concept pre-application advice when the principle of a particular type or form of development is proposed.

- Make greater use of the Design Review Panel, which calls on industry experts to provide high quality design advice to developers
- Reduced need for delegated reports – follow focused report style, which had been highlighted as best practice, so that reasons for permission are included on householder applications that are permitted under delegated powers
- Introduction of a Local Validation List and the adoption of additional Supplementary Planning Documents.

The Council's planning function also includes planning enforcement, which deals with breaches of planning controls, including where building work requiring planning permission is undertaken without such permission, where conditions attached to a planning condition are not complied with, or where the use of a building or site is changed without planning permission. Under Section 94 Town and Country Planning Act 1990, the Council can issue a completion notice requiring a developer to complete a development if the granted permission has been lawfully implemented and the uncompleted development is harmful to the amenity of neighbours. Failure to complete a development, when a completion notice has been issued results in withdrawal of the planning permission in respect of any further part of the development.

There are conditions to the exercise of the power which are set out in Sections 94 and 95 Town and Country Planning Act 1990:

- The Council must be satisfied that the development is not likely to be completed within a reasonable period.
- The developer must be given a period of at least 12 months to complete the development.
- The completion notice must be signed off by the Secretary of State, and there is an appeal process which applies before the notice can be signed off.
- Notice must be given to the landowner, the occupier and anyone else whom the Council thinks will be affected by the notice.

A completion notice cannot be used to force a developer to implement a planning permission, nor can it force a developer to complete the development, if not complied with, planning permission is simply removed from the uncompleted part of the development.

2. Gravesham Borough Council as a landowner and landlord

Gravesham Borough Council has limited land assets, the Council's main land holdings outside of its housing stock are primarily focused in and around Gravesend town centre. The Council is actively working on bringing forward development at The Charter and St Georges Phase 2 (formerly known as Heritage Quarter) and at the former Lord Street Car Park. Alongside these immediate schemes, [the Council is working on bringing forward development on Parrock Street Car Park, the Wickes site and the current Civic Centre site](#). The Council has successfully delivered affordable homes on a number of smaller sites within the Borough. Work is being undertaken by the Council's Housing Strategy and Development team to bring forward affordable housing at a number of sites including:

- St Hilda's ([planning application reference 20170737, completed and occupied. Known as Pankhurst Place](#))
- St Patricks Gardens ([planning application reference 20190503](#))
- Valley Drive ([planning application reference 20190155](#))

- Whitehill Lane ([planning application reference 20171385](#))
- Former St John's Ambulance Hall ([planning application reference 20200561](#))
- Constable Road ([planning application reference 20190833](#))

The Council is also exploring opportunities that maybe available to increase housebuilding rates through partnership working or other delivery vehicles and to this end the Council has formed a Local Authority Trading Company (LATCo) known as Rosherville Limited. One of the initial tasks of Rosherville Limited is to work with Reef Group to bring forward the recently permitted development known as 'The Charter'.

The Council also proactively works with other public sector landowners in Gravesham including Kent County Council, Ebbsfleet Development Corporation, and Homes England. Whilst it should be noted that different organisations have different approaches to their land assets and potential disposal strategies, the Council has worked proactively with the Ebbsfleet Development Corporation to bring forward proposals for Milton Place which should deliver 100 dwellings.

As a stock owning authority, some of the Council's most extensive land assets are located in Council estates. Where opportunities arise for redevelopment or intensification the Council considers these and the benefits and the benefits that this will bring to new and existing residents. At present, the Council is investigating what further opportunities may exist within its existing portfolio of sites.

3. Gravesham Borough Council's wider role

The Council recognises that it has a significant role in bringing forward growth in the Borough, this is not limited to just housing but also encompasses commercial and leisure floor space. The Council will seek to build upon work that has already been undertaken by prioritising its own and seeking external investment into the Borough. Harnessing the benefits of growth locally cuts across many of the Council's corporate objectives. Therefore the Council will seek establish a culture of embracing growth locally coupled with good place-making, this approach together with working with local communities to embrace growth should foster a more positive 'can-do' and therefore 'can-build' approach to housing. This will have the added positive benefits of encouraging greater positive participation and a holistic approach to development and the planning system.

It is recognised that there is a negative perception of some parts of Gravesham, this can deter people or businesses looking to relocate to the area. Even though Gravesham has good connections, river, character and accessibility to services. Many people's perception is still dominated by the Borough's industrial past rather than its dynamic and changing present.

Whilst the Council is currently leading on the regeneration of the town centre, we are acutely aware of the need to stimulate demand through more effective placemaking and marketing of the area. The Council will seek to place a greater emphasis on proactively marketing the Borough and potential developments via undertaking a more coordinated and corporate approach to promotion, to aid with this the Council will be commissioning a Town Centre Supplementary Planning Document in 2021. This will occur alongside setting out a clearer vision for the Borough and key development locations via the emerging Local Plan, so that locals and investors have greater clarity regarding the Council's ambitions for the Borough.

Whilst the Council has not recently utilised its compulsory purchase powers, going forward the Council will consider the potential for positive intervention in the housing market where it would speed up the delivery of housing. For example at the Cabinet meetings of February 2021 and October 2020, Cabinet authorised the Chief Executive in consultation with the Leader of the Council to Compulsory Purchase Order land to assist with the delivery of Albion Waterside (Canal Basin) or the former Gravesend Police Station site if needed. The Council acknowledges that many brownfield sites such as the former Gravesend Police Station have taken some time to come forward. Whilst some are now being brought forward, a small number of sites have not moved forward for some time. To overcome this, the Council will seek to identify suitable approaches to intervention and work with development partners to deliver much needed development in the Borough.

As previously noted, the Council has formed a LATCo known as Rosherville Ltd, moving forward, Rosherville Ltd as an independent organisation, will be seeking to maximise housing delivery of all tenures outside of the Housing Revenue Account. Undertaking such an approach would allow the Council to help plug gaps in the local housing market and increase the delivery of affordable homes and homes for older people as well as providing good quality homes for wider residents.

4. Gravesham Borough Council as a partner

The Council recognises that it cannot deliver development alone and it actively works with neighbouring authorities, the Ebbsfleet Development Corporation and Kent County Council to explore and establish closer working relationships and to jointly progress projects that are of mutual benefit.

The Council will continue to monitor and bid for infrastructure and development funding as and when opportunities arise. The Council has and will continue to engage Homes England to bring forward complex brownfield sites in the Borough, and the Council will continue to explore and engage appropriate bodies and Government to help realise its current ambitions for the Borough for the benefit of local residents.

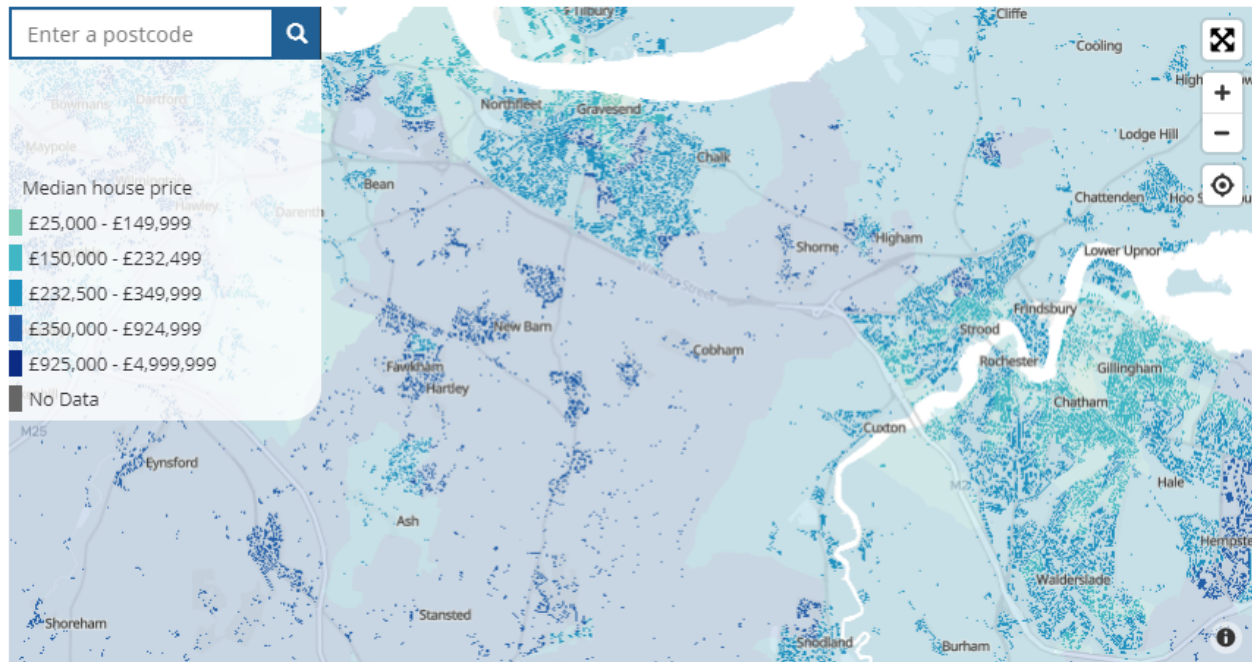
5. Supply side issues

The current land supply does rely upon a small number of large sites to deliver a large number of homes. As identified earlier, the Borough's land supply consists of 37 sites providing 10 or more dwellings which will deliver 7,337 homes, compared to 169 homes being delivered on 81 sites of 9 dwellings or less. These large sites are within the urban area of Gravesend and Northfleet and predominantly on brownfield land e.g. Northfleet Embankment West, Cable Wharf (Northfleet Embankment East), Albion Waterside (Canal Basin), The Charter (Heritage Quarter East), St Georges Phase 2 (Heritage Quarter West), the temporary Lord Street Car Park currently being used as a walk-through Covid-10 testing centre, former Gravesend Police Station, former Maternity Block, Clifton Slipways, etc.

As illustrated in Figure 11, the bulk of these sites fall within areas of Gravesham where the property prices are unproven due to lack of sales or are in areas where the median house price is relatively lower when compared to other parts of the urban area and the rural part of the Borough.

Figure 11: ONS Median House Price (accessed December 2020)

England and Wales, year ending September 2019



Source: Office for National Statistics – House Price Statistics for Small Areas, HM Land Registry – Price Paid Data

A range of organisations are involved in the early stages of the development process including landowners, investors, occupiers, developers, lenders, architects, engineers, surveyors, planners and real estate agents. The process does not take place in a vacuum; it is affected by and contributes to changes in social trends, economic conditions and the regulatory environment

Developing houses is often a complex process. There are a number of challenges and barriers to overcome before a buyer can take ownership of a property. Many of these barriers are economic in nature, for example access to finance for both developers and potential house buyers, whilst others may be more site-specific such as land contamination. These barriers affect both the supply and demand side of housing delivery. The following provides a brief summary of the key challenges associated with bringing housing development forward in general. It should be noted that the barriers will range from site to site and are dependent, to an extent on the size or nature of a developer.

RESOURCES	FINANCIAL
• Skills and labour availability • Shortage and cost of materials • Availability of sites	• Land value expectations • Access to finance for developers/registered providers

• Availability of developers and registered providers to deliver housing	• Access to finance for potential home owners • Cash flow and interest payments • Grant / loan funding from Homes England • Strength of market – investor confidence • The price the land was bought for compared with its value today
SITE SPECIFIC CONSTRAINTS	INFRASTRUCTURE CONTRIBUTIONS
• Land contamination • Complexity of land ownerships and 'ransom' situations • Access arrangements • Landscape • Flood risk, drainage and utilities • Archaeology • Wildlife and nature • Heritage assets (e.g. listed buildings) • Local opposition • Legal (e.g. covenants) • Infrastructure capacity (Highways, Water, Waste, Electricity, etc)	• Affordable housing • Health contributions • Open space • Drainage schemes • Housing mix • Education contributions • Highway improvements • Other infrastructure requirements

Any number of these issues can negatively influence the financial viability of a development. In some cases causing long delays, because local effective demand is not able to overcome these supply-side constraints. Put simply the amount local people are prepared to pay does not give the return needed by the developer, to develop the site. To overcome this, the Council will work proactively with local stakeholders via the 'Development Sites Implementation Group' to address where practicable, the impediments to delivery.

Whilst many of these issues are primarily the responsibility of the promoter / developer, a number of the actions highlighted in this action plan will assist:

- Greater scrutiny of sites at plan making stage including clarity about lead in periods for sites with constraints
- Allocation of additional sites, not just minimum requirement
- Re-freshed pre-application advice service
- Development Sites Implementation Group
- Strict application of the validation list requirements will assist in identifying problems and their solutions in the pre-submission stage

6. Demand side issues

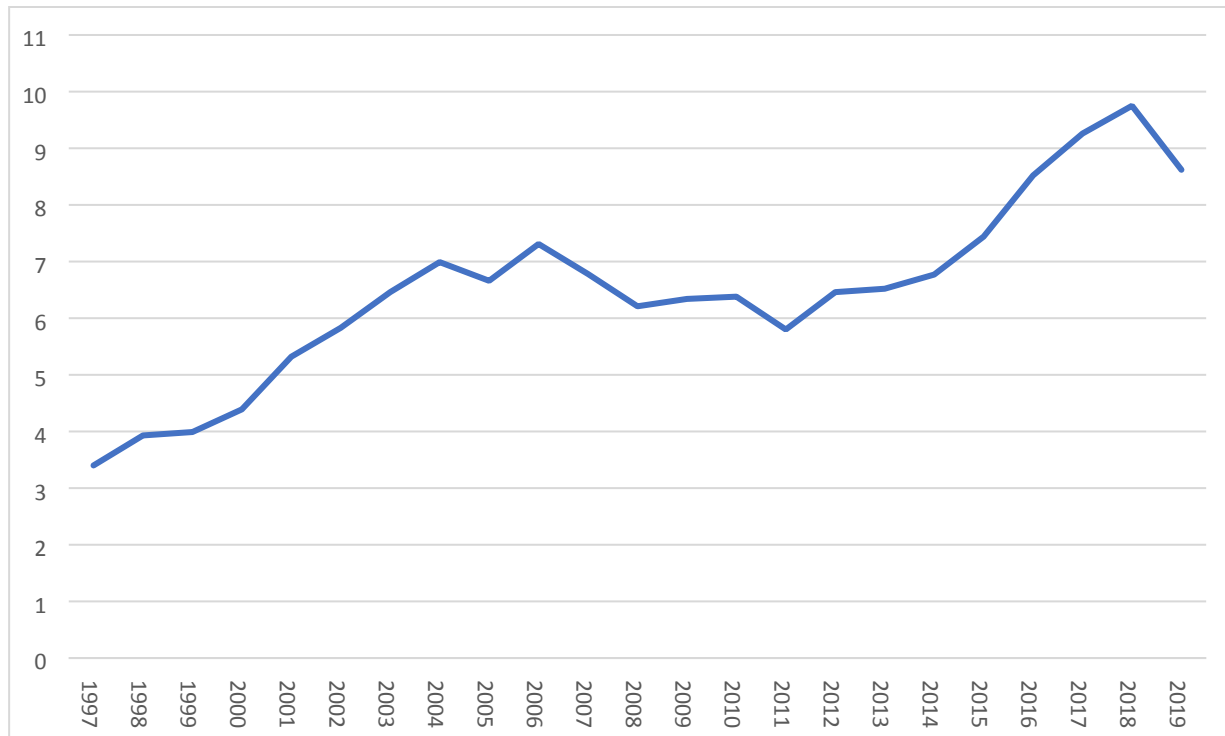
Population and household projections, coupled with evidence gathered through the Strategic Housing Market Assessments and the Rural Housing Needs Assessments, all identify that there is significant need for new homes in the Borough. Such data when reviewed against the Council's waiting list and national statistics also shows that there is an affordability issue. Wages have not kept up with house price growth and over time more and more people have

either been priced out of the housing market or they have had to utilise a greater portion of their income on housing costs. Local affordability is illustrated in Figure 12 , slow rates of building on some sites (e.g. land at Coldharbour Road) and a clear lack of progress on others (e.g. Northfleet Embankment West) means reduced housing delivery in the Borough and inevitably higher property prices. The affordability ratio set out in Figure 12, also plays a key role in determining the number of homes that have to be delivered within Gravesham via the Standard Method ([please see the Borough's five year housing land supply statement for further information](#)).

Through the plan making process the Council will seek to ensure that policies are put in place that guide developers to deliver the right size and type of homes in the Borough, and the homes that meet local needs.

The ongoing pandemic has had and will continue to have impacts upon housing demand and levels of construction. The first Covid-19 lockdown commenced on 23rd March 2020, as such the impact on housing completions for the financial year 2019/20 would have been limited. During the 2020/21 the pandemic has had a greater impact on the economy and the construction sector. Whilst Government measures such as the Stamp Duty holiday will have helped the housing market, housing market commentators are advising that greater economic uncertainty and greater levels of unemployment will result in falling property prices, falling rental values and falls in construction. The pandemic is also influencing where households want to live and the types of properties households wish to purchase, with a greater number of households looking to purchase low density developments in suburban and rural areas e.g. homes with gardens, rather than apartments outside of Central London.

Figure 12: Ratio of median house price to median gross annual workplace based earning Gravesham only, 1997-2019



7. Infrastructure and Public Services Provision

The Local Plan Core Strategy (2014) was produced and supported by an Infrastructure Delivery Schedule (IDP). The IDP has been developed with input from utility providers and service providers and identifies the improvement to existing or new infrastructure required to support the planned growth of the Local Plan. Since its creation the Ebbsfleet Development Corporation has also taken on a lead roll in ensuring suitable infrastructure is put into place within the Garden City. A revised IDP is being produced as part of the emerging Local Plan.

The Council has considered whether the current provision of infrastructure in the Borough is acting as a barrier for the delivery of new homes. For the current planning permissions in place, there are no infrastructure barriers preventing the commencement of sites.

There are examples in the Borough of infrastructure that was to be delivered as part of a development site but subsequently found to be undeliverable due to viability issues. Largest of these was the bridge linking Springhead Quarter to Ebbsfleet Station. The developer had agreed a significant package of transport infrastructure when the initial outline permission was given for the development at Ebbsfleet. More detailed viability work on a phase by phase basis identified that some of the infrastructure such as the bridge could not be paid for by the development. The Ebbsfleet Development Corporation have addressed this by forward funding infrastructure and that has enabled infrastructure such as the [Springhead Link Bridge](#) to be opened in July 2020.

The investment being made in the Garden City however cannot be easily replicated elsewhere, primarily because the Government directly funds the Ebbsfleet Development Corporation to

bring forward development in the Garden City. Similar funding is not made available to the Council to bring forward infrastructure and address service shortfalls in other parts of the Borough. Concerns regarding the capacity of infrastructure such as the highway network, water and waste resources and the capacity of services such as health care are at the forefront of local residents concerns.

Recent growth has not been complemented by suitable investments in local infrastructure and services, as funding opportunities became and remain limited. The inability of developers to adequately fund local infrastructure and public services harms local perception of new development. There is a recognition that further investments need to be made into local infrastructure, and the Council will continue to work with partners to identify and bid for funding that enhances local provision in terms of both infrastructure and services.

Conclusion

The only way to meet the test is enhanced delivery and as highlighted above the Council continues to undertake a range of actions related to its various roles. These actions are summarised in the form of a work programme at Appendix A.

At the same time, the text is inherently backward looking with paragraph 215 of the NPPF defining the thresholds substantially below the housing requirement as:

- a) November 2018 indicate that delivery was below 25% of housing required over the previous three years;
 - Considering 3 year period from 1/4/2015-31/3/2018
- b) November 2019 indicate that delivery was below 45% of housing required over the previous three years;
 - Considering 3 year period from 1/4/2016-31/3/2019
- c) November 2020 and in subsequent years indicate that delivery was below 75% of housing required over the previous three years.
 - Considering 3 year period from 1/4/2017-31/3/2020

Appendix A: Work Programme

This is a living document will evolve and be refined over time.

1. GRAVESHAM BOROUGH COUNCIL AS A LOCAL PLANNING AUTHORITY			
Lead	Action / Aim	Timeframe	Performance Measure
Planning Policy	Progressing work on the LPCS Partial Review and Site Allocations and Development Management Policies Document	Regulation 18 Stage 2 Consultation: Undertaken Oct-Dec 2020, Regulation 19 Consultation: 2 nd half 2021, Submission and adoption: Dec 2022.	Adoption of Local Plan Partial Review and Site Allocations and Development Management Policies document in line with Local Development Scheme
	There is a requirement from Government for Local Planning Authorities to make progress with their emerging Local Plans during the pandemic. This is emphasised by correspondence received from the Chief Planner at MHCLG during 2020, which is available at https://www.gov.uk/guidance/planning-guidance-letters-to-chief-planning-officers and a more recent Ministerial Statement from the Minister of State, The Rt Hon Christopher Pincher MP https://questions-statements.parliament.uk/written-statements/detail/2021-01-19/hcws720		
Development Management	Developing a local validation list	A local validation list has been adopted and has applied to planning applications since 1 st April 2020, see https://www.gravesham.gov.uk/home/planning-and-building/apply-for-planning-permission/local-list-of-validation-requirements	Sustained reduction in applications backlog PS1 and PS2 returns performance
	Developing an accredited agent scheme	During 2021/2022	Increased public use of Council's website in terms of web metrics and a corresponding decrease in public telephone inquiries, in areas where information available on line.
	Continually review the appropriateness of planning conditions	Ongoing	
	Increase the transparency of the planning obligations process	An Infrastructure Funding Statement has been published, see https://www.gravesham.gov.uk/home/planning-and-building/local-plan/community-	

		infrastructure-levy-and-planning-obligations . In due course a Planning Obligations SPD will be progressed (by 2023)	
	Reduce backlog of planning applications and keep to a minimum thereafter	Ongoing	
	Review and improve information disseminated through the Council's website	Ongoing	
	Address data quality	Ongoing	
	More effective use of IT	Ongoing	
	Maintaining a fully resourced and skilled workforce	Ongoing	
Development Sites Implementation Group	1. Identify barriers to delivery. 2 to work with developers, landowners and other departments within the Council to ensure that the Council has done everything reasonable it can do to overcome these barriers. 3. to identify areas that other bodies will need to investigate to overcome remaining barriers..	Ongoing	Implementation, progression and development on major sites
2. GRAVESHAM BOROUGH COUNCIL AS A LANDOWNER & LANDLORD			
Housing Strategy and Development	Bring forward affordable housing at a number of sites i.e. Albert Murray Close,	Ongoing	Residential completions 2020-2025

	Arnold Avenue, Barr Road, Constable Road / Rembrandt Drive, Mark Square Garages St Hilda's, St Patricks Gardens, Valley, Drive, Whitehill Road, Wilberforce Way.		
Housing / Housing Strategy and Development	Review housing stock to identify opportunities for intensification.	Ongoing	Identification of additional development / redevelopment opportunities
Corporate Services	Consider the merits of creating an a Local Authority Trading Company (LATCO) to increase housebuilding rates	The Council has formed a new Local Authority Trading Company (LATCo) known as Rosherville Ltd. One of the key targets of this company is to deliver housebuilding and regeneration within the Borough, its initial projects will be The Charter and St Georges Phase 2.	Completed
3. GRAVESHAM BOROUGH COUNCIL WIDER ROLE			
Planning Policy / Development Management	1. Improve the public's understanding of the planning system, the role of the NPPF, and the part the Council has in shaping development. 2 increase the public's participation in the plan making process, subsequently fostering a greater sense of ownership	Ongoing A number of measures have been taken to improve guidance to members of the public, including the adoption of the following Supplementary Planning Documents: • Conservation Area Maintenance/Replacement Windows and Doors Guidance SPD • Householder Extensions/Alterations Design Guidance Supplementary Planning Document SPD	Reduced complaints, more useful interactions with the public, improved planning applications.
Communities / Planning Policy / Communications	Through more effective placemaking and marketing	Ongoing	Land value uplift

	of the Borough, to promote a clearer vision for the Borough and key development locations	Work is being progressed on Supplementary Planning Documents and the emerging Local Plan	Reduced Town Centre vacancy rates % of planning permissions implemented Improvements to headline estimates of personal well-being from the Annual Population Survey Improved average earnings
Housing and Regeneration	Identify opportunities for greater involvement in site assembly and delivery	Ongoing Officers have been given authority to Compulsory Purchase land to assist with delivery of sites such as the former Gravesend Police Station and Canal Basin.	Reduction in stalled sites and development of Opportunity Areas and Key Sites allocated in Local Plan Core Strategy
4. GRAVESHAM BOROUGH COUNCIL AS A PARTNER			
Housing and Regeneration / Corporate Services	Identify and bid for funding to deliver the development and infrastructure, needed in the Borough	Ongoing	External funding received directly / indirectly e.g. delivery of infrastructure by partners
5. SUPPLY SIDE			
Development Sites Implementation Group	Work with stakeholders and developers, looking to identify and overcome, where practicable, impediments to delivery. Reducing the time between permission and build.	Ongoing	Increased development delivery rates, and progress on stalled sites.
Development Management / Planning Policy	Ensure schemes are deliverable and developable	Ongoing	Increased development delivery rates

	during both plan making and decision making stages; Allocate sufficient sites to provide greater choice for developers; Enhanced pre-application service; Implementation of validation list		
6. DEMAND SIDE			
Economic Development	1. Work to stimulate the local economy and to improve incomes in the borough, directly through a review of GBC's economic development offering and through our SELEP and KMEP membership and activity. 2. Based on concerns raised by residents and members, the Council is also working with partners, identifying opportunities for improving infrastructure and service provision. This includes exploring other avenues of funding.	Ongoing	Improved Gross Value Added and Average Income Levels compared to present. Housing affordability being more comparable to nearest neighbours and improving
7. INFRASTRUCTURE AND PUBLIC SERVICES PROVISION			
Housing and Regeneration / Communities	Work with partners to identify and bid for funding that enhances local	Ongoing	Success rate in obtaining grant funding

	provision in terms of both infrastructure and services		



Five Year Housing Land Supply Statement

2020-25

JANUARY 2021



Delivering a Gravesham to be proud of

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1 Introduction

- 1.1 This five year land supply statement sets out how Gravesham Borough Council calculates its five-year housing land supply. The five year period covered by this statement is 1 April 2020 to the 31 March 2025.
- 1.2 The National Planning Policy Framework (NPPF) (MHCLG: Feb. 2019) includes a requirement for local planning authorities to identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of deliverable housing land when assessed against their housing requirement as set out in adopted strategic policies, or against their local housing need where the strategic policies are more than five years old.
- 1.3 Policy CS02: Scale and Distribution of Development of the Local Plan Core Strategy sets out the Borough's housing need for the period 2011-2026 as being for at least 6,170 new dwellings delivered at a variable rate as follows; at least 325 dwellings per year for 2011/2012 – 2018/2019, at least 363 dwellings per year for 2019/2020 – 2023/2024, at least 438 dwellings per year 2024/2025 – 2027/2028.
- 1.4 Para. 73 of the NPPF states that the Borough's five year supply should be set against the strategic requirement as set out in adopted strategic policies or against a local planning authority's local housing need figure, as set out in the Government's Standard Method, where relevant policies are more than 5 years old. As the Borough's Local Plan Core Strategy was adopted in September 2014, it is now more than five years old, therefore the Standard Method as set out in the Government's PPG <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments> Guides councils in how to assess their housing needs. – is utilised for this statement.

Table 1: Gravesham Local Housing Need figure

Local Housing Need	Number of dwellings
Average annual change 2020-2030	508 Households
Affordability ratio 2020	8.62
Adjustment factor	1.29
Annual Local Housing Need Figure	655 dwellings per annum
Five Year Supply Local Housing Need Figure	3,275 dwellings

¹ National Planning Policy Framework (MHCLG: Feb. 2019): https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf National Planning Policy Framework (MHCLG Feb 2019)

² As updated 16 December 2020

2. Housing Delivery Test Results

- 2.1 To ensure choice and competition in the market for land, the NPPF requires local planning authorities to add an additional 5% buffer to their housing requirements over the next five years. For local authorities where there has been under-delivery in the last 3 years, this buffer is to be increased to 20%.
- 2.2 The NPPF states in paragraph 73c, footnote 39, that under deliver will be measured against the Housing Delivery Test from November 2018. The latest published Housing Delivery Test for Gravesham show's that against a need of 1,043 dwellings, 731 dwellings were delivered in the Borough. This results in a Housing Delivery Test 2020 measurement of 70%, which requires a 20% buffer to be applied.

Table 2: Gravesham Local Housing Need figure with buffer

Local Housing Need	Number of dwellings
Average annual change 2020-2030	508 Households
Affordability ratio 2020	8.62
Adjustment factor	1.29
Annual Local Housing Need Figure	655 dwellings per annum
Five Year Supply Local Housing Need Figure	3,275 dwellings
Five Year Supply Local Housing Need Figure with 20% buffer applied	3,930 dwellings

³ [Housing Delivery Test: 2020 measurement - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/housing-delivery-test-2020-measurement) published 19 January 2021

3. Deliverable Housing Land Supply

- 3.1 Local planning authorities are required to identify a supply of specific, deliverable sites for the first five years of the Local Plan. The NPPF (Annex 2: Glossary p. 66) provides a definition of 'deliverable' as follows:

“To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:

(a) sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).

(b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.”

- 3.2 A recent court case between East Northamptonshire Council v Secretary of State for Housing, Communities and Local Government (Case Number: CO/917/2020), resulted in the Secretary of State conceding the case and stating:

“The secretary of state has explicitly accepted that the definition (of deliverable in the NPPF) is not to be taken as a 'closed list' and site types not listed within the definition - for example, sites with a resolution to grant planning permission subject to the execution of a section 106 agreement, or draft allocations in an emerging plan - are capable of being deliverable if the evidence shows that they are "available now, offer a suitable location for development now, and are achievable with a realistic prospect that housing will be delivered on the site within five years".

4. Assessment of Deliverable Housing Land Supply

- 4.1 The Appendix to this statement lists the sites the Council's considers to form part of the Borough's five year housing land supply as at 1st April 2020 (the base date), these sites are considered to be deliverable and have been assessed via the annual monitoring undertaken by the Council. The sites include:

- Local Plan Core Strategy Key Sites without Planning Permission
- Sites with Planning Permission
- Specific Unallocated Sites
- Small and Large Site Windfalls

Local Plan Core Strategy Key Sites without Planning Permission

- 4.2 The Gravesham Local Plan Core Strategy allocates a number of key sites for residential development. The allocated key sites which have been granted planning permission are considered alongside all sites with planning permission in the section below entitled 'Sites with Planning Permission.'

- 4.3 There are four allocated key sites which do not currently benefit from planning permission. These are:

- Canal Basin Area, Gravesend;
- Land at Grove Road, Northfleet;
- Heritage Quarter West, St Georges Phase 2, Gravesend and
- Land at Coldharbour Road (KCC Site), Northfleet.

- 4.5 Of these key sites, Heritage Quarter West, now known as St Georges Phase 2 forms part of the five year deliverable housing land supply. The developer for this site, Reef Group has held pre-application negotiations with the Council and is working with the Council's property team to bring forward the site by 2025. The proposed development is for a mixed use scheme that includes 150 new dwellings. The Council published an associated Press Release on 7 August 2020 [St Georges \(Phase 2\) Press Release](#) which provides further details of the proposed development.

Sites with Planning Permission

- 4.6 As at 31 March 2020, there were 101 sites with planning permission for the development of housing in the Borough. Table 3 shows a summary of the 101 sites by size of site and planning permission.

Table 3: Number of Sites with Planning Permission

Type of Development	Detailed Planning Permission No. of Sites	Outline Planning Permission No. of Sites	Total
Major Development	20	2	22
Non-Major Development	76	3	79
Total	96	5	101

- 4.7 In total, there are 2,274 homes (net) with planning permission considered to be deliverable within the next five years and which therefore contribute to Gravesham Borough's five year housing land supply. Table 4 below provides a summary of the five year housing land supply from planning permissions by the type of development and planning permission.

Table 4: Number of Deliverable Homes with Planning Permission

Type of Development	Detailed Planning Permission No. of Deliverable Homes (net)	Outline Planning Permission No. of Deliverable Homes (net)	Total
Major Development	1,870	250	2,120
Non-Major Development	149	5	154
Total	2,019	255	2,274

Specific unallocated sites

- 4.8 Initial work undertaken on the Borough's draft 2020 Strategic Housing Land Availability Assessment⁴ has not identified any unallocated sites or sites that do not benefit from planning permission for inclusion in the Borough's five year land supply.

Windfall Allowance

- 4.9 Windfall sites are sites that are not formally included in the Local Plan Core Strategy as allocated key sites but which subsequently come forward for residential development. The NPPF defines them as "sites not specifically identified in the development plan". Paragraph 70 of the NPPF allows local planning authorities to

⁴ <https://localplan.gravesham.gov.uk/consult.ti/REG18S2/consultationHome>

make an allowance for windfall sites as part of the anticipated housing land supply where there is “compelling evidence that this will provide a reliable source of supply”. It goes on to state that “any allowance should be realistic, having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends”.

- 4.10 Windfall sites have historically provided a strong source of housing supply in Gravesham, coming forward on both small sites (defined as sites of 4 units or less) and large sites (defined as 5 units or more).
- 4.11 At the Local Plan Core Strategy Examination (2014), the Examination Inspector considered there was clear evidence to justify including a small and large site windfall allowance in the Borough’s housing land supply. All parties, at the examination, agreed that given the evidence in terms of historic and future trends it was appropriate to include a small site windfall allowance of 33 dwellings per year and a large site windfall allowance of 30 dwellings per year.

Table 5: Windfall Allowance

Windfall	Number of Dwellings
Small Site Windfall Allowance	0
Large Site Windfall Allowance	150

Summary of Deliverable Housing Land Supply

- 4.12 The total contribution from the sources constituting Gravesham Borough’s five year housing land supply is set out in Table 6 below. Table 6 indicates that a total of 2,574 net homes are considered deliverable over the next five years i.e. between 2020 and 2025.

Table 6: Total Five Year Supply of Deliverable Homes

Component	No. of Deliverable Homes in Next Five Years (net)
Local Plan Core Strategy Key Sites without Planning Permission	150
Sites with Planning Permission	2,274
Specific Unallocated Sites	0
Small and Large Site Windfalls	150
Total	2,574

5. Housing Land Supply Calculation

- 5.1 The previous sections of this statement set out the different considerations that need to be factored into calculating the Borough's five year housing land supply. This section summarises these factors and sets out the Borough's land supply for housing compared with the Borough's local housing need figure, with a 20% buffer applied, for the period 2020-2025.
- 5.2 Table 7 indicates there is a supply shortfall of 1,356 homes against Gravesham Borough's local housing need figure with a 20% buffer applied over the next five years. Table 7 also indicates that Gravesham Borough has the equivalent of a 3.27 years' supply of housing over the next five years. This calculation is determined by dividing the amount of housing land available (the deliverable housing supply) by the local housing need figure (annual requirement with 20% buffer applied).

Table 7: Calculation of the Borough's housing land supply 2020-2025

Component	No. of Deliverable Homes (net)	No. of Years
(a) Deliverable Housing Supply	2,574	
(b) Local Housing Need Figure (plus 20% buffer)	3,930	
Housing Supply Surplus/Shortfall (a) - (b)	-1,356	
(c) Annual requirement	786	
Years Supply Equivalent Over Five Years (a ÷ c)		3.27

- 5.3 Consequently, Table 7 indicates that Gravesham Borough is unable to demonstrate a deliverable supply of sites for housing against its housing requirement over the next five years from 2020 to 2025. Under the NPPF, councils are required to demonstrate a five-year supply of deliverable housing sites or else face the presumption in favour of sustainable development. This requires the Council to consider planning applications for housing against paragraph 11 (d) of the NPPF. This requires the decision maker, to undertake a balancing exercise to ensure that the correct weight is attached to the shortfall in meeting the 5 year housing land supply requirement and the provisions within the NPPF.

Appendix A - Sources of Deliverable Housing Land Supply (1 April 2020 - 31 March 2025 only)

Site Reference	Status	Site Name	Total no. of dwellings 2020-2025
EDC/17/0038	Permitted	Northfleet Embankment East, Northfleet	499
20180041	Permitted	Coldharbour Road (land at), Northfleet	250
EDC/16/0004	Permitted	Northfleet Embankment West, Northfleet	250
20200343	Permitted (subject to s.106 Agreement)	The Charter, Horn Yard/Market Square, Gravesend	242
20191122	Permitted (subject to s.106 Agreement)	Clifton Slipways, West Street, Gravesend	227
19960035	Permitted	Springhead (Ebbsfleet), Northfleet	216
Allocated Key Site	Allocated Key Site	St Georges, West Street (Phase 2), Gravesend	150
20190504	Permitted (subject to s.106 Agreement)	M Block, Former Gravesend & North Kent Hospital, Bath Street, Gravesend	115
20030315	Permitted	Lord Street Car Park, Gravesend	106
20171385	Permitted	Community Hall Site, Whitehill Lane, Gravesend	32
20180764	Permitted	Dover Road (north of), Northfleet	27
20190503	Permitted	St Patricks Gardens Open Space, Gravesend	23
20160037	Permitted	Bridge Bar & Club, 24 Stone Street (r/o), Gravesend	19
20140715	Permitted	3-11 Harmer Street, Gravesend	18
20150028	Permitted	128 London Road, Northfleet	14
20190520	Permitted	Builder's Yard, Lower Range Road, Gravesend	14
20140682	Permitted	The Old Barracks, Armoury Drive, Gravesend	13
20180916	Permitted	26-27 London Road (site of former), Northfleet	13
20190155	Permitted	270-340 Valley Drive, Gravesend	12
20150982	Permitted	23-25 King Street, Gravesend	10
20160092	Permitted	The Cottage, Westcourt Lane, Gravesend	10

Site Reference	Status	Site Name	Total no. of dwellings 2020-2025
20190727	Permitted	Hardy's Corner (top yard), 2 Vale Road, Northfleet	10
20120994	Permitted	128 Milton Road, Gravesend	9
20130957	Permitted	3 & 4 London Road (r/o), Northfleet	9
20170184	Permitted	23-25 King Street, Gravesend	9
20170874	Permitted	Buffet, 25/26 High Street, Gravesend	9
20171021	Permitted	The Call Boy PH, Harmer Street, Gravesend	8
20170688	Permitted	Shawline House, Burch Road, Northfleet	7
20190833	Permitted	Garage Block & Amenity Space, Constable Road/Rembrandt Drive, Northfleet	7
20160539	Permitted	Man of Kent PH, 53-57 Wrotham Road, Gravesend	6
20160791	Permitted	Cheema Fabrics, 29/30 High Street, Gravesend	6
20190370	Permitted	Hemmet, Wrotham Road, Meopham	6
20161038	Permitted	The Stork At Rest PH, Stacey Close, Gravesend	6
20160182	Permitted	195 Parrock Street, Gravesend	4
20170999	Permitted	Lomer Farm Estate, Wrotham Road, Meopham	4
20181276	Permitted	The Little Wonder PH, 19 Edwin Street, Gravesend	4
20190497	Permitted	Builder's Yard, 3 Cobham Street (r/o), Gravesend	4
20151234	Permitted	83 Pier Road, Northfleet	3
20190096	Permitted	2 Cobham Street, Gravesend	3
20190214	Permitted	Leonardo's, 173 Windmill Street, Gravesend	3
20160807	Permitted	Costa Coffee, 1 New Road, Gravesend	2
20170748	Permitted	South Street Farm, Wrotham Road, Meopham	2
20181094	Permitted	The Three Crutches PH, Old Watling Street, Higham	2
20160369	Permitted	J & A Builders, 41 The Hill, Northfleet	2
20180381	Permitted	Gore Green Farm, Gore Green Road (east of), Higham	2
20180744	Permitted	Garage Block, 73 Grange Road (r/o), Gravesend	2
20190179	Permitted	4-5 Town Pier, Gravesend	2

Site Reference	Status	Site Name	Total no. of dwellings 2020-2025
20190405	Permitted	Mid-Higham Post Office, 2 Hermitage Road, Higham	2
20190870	Permitted	28 Coutts Avenue, Shorne	2
20150623	Permitted	Curry Mecca, 200 Parrock Street, Gravesend	1
20160450	Permitted	Wendover, Lower Rochester Road (adj), Higham	1
20160890	Permitted	214 Springhead Road (adj), Northfleet	1
20160980	Permitted	Salem Yard, Salem Place, Northfleet	1
20161021	Permitted	Garage Block, 73 Grange Road (r/o), Gravesend	1
20161108	Permitted	20 East Kent Avenue (adj), Northfleet	1
20171047	Permitted	11 Windmill Street, Gravesend	1
20171053	Permitted	Prickett Shaw (Building A), Dean Lane, Harvel	1
20180579	Permitted	Wendover, Lower Rochester Road (adj), Higham	1
20190132	Permitted	198 Lower Higham Road (r/o), Gravesend	1
20160579	Permitted (on Appeal)	White House Farm, School Lane, Higham	1
20170211	Permitted	18 Copperfield Close (east of), Gravesend	1
20170738	Permitted	Parsonage Farm, The Street, Cobham	1
20170892	Permitted	Costa Coffee, 1 New Road, Gravesend	1
20171054	Permitted	Prickett Shaw (Building B), Dean Lane, Harvel	1
20171162	Permitted	55 Forge Lane/adj, Higham	1
20171260	Permitted	2 Sapho Park, Gravesend	1
20180074	Permitted	1 Johns Road, Meopham	1
20180260	Permitted	9 Vauxhall Close, Northfleet	1
20180322	Permitted	25 Coutts Avenue, Shorne	1
20180459	Permitted	Amrit Jewellers, 59 Wrotham Road, Gravesend	1
20180641	Permitted	33 Ivy Close, Gravesend	1
20180722	Permitted	9 Essex Road, Gravesend	1
20180893	Permitted	High Street/Lawn Road (corner of junction), Northfleet	1

Site Reference	Status	Site Name	Total no. of dwellings 2020-2025
20190097	Permitted	10 Fleet Road, Northfleet	1
20190150	Permitted	377 Singlewell Road, Gravesend	1
20190645	Permitted	30 Queen Street, Gravesend	1
20190724	Permitted	16-18 Wilberforce Way (west of), Gravesend	1
20190725	Permitted	125 Barr Road (r/o), Gravesend	1
20190737	Permitted	26 St Georges Crescent, Gravesend	1
20190914	Permitted	72 Sun Lane, Gravesend	1
20190936	Permitted	16 Havengore Avenue, Gravesend	1
20191280	Permitted	1 Bunny Hill, Tanyard Hill, Shorne	1
20200078	Permitted	The Muslim Cultural Centre, 11 Albion Terrace, Gravesend	1
19960035	Permitted	Northfleet Rise (Ebbsfleet), Northfleet	0
20120590	Permitted	Gravesend Police Station, 133 Windmill Street, Gravesend	0
20150486	Permitted	Rosebank Residential Home, 56 Pelham Road, Gravesend	0
20170353	Permitted	Grove Farm Cottage, Gravesend Road, Higham	0
20170383	Permitted	Wonky Log, Valley Lane, Culverstone	0
20181264	Permitted	Daymer, Green Farm Lane, Shorne	0
20190369	Permitted	276 Singlewell Road, Gravesend	0
20161135	Permitted	The Warren, Rhododendron Avenue, Culverstone	0
20180302	Permitted	Bahu Begum, 41 Pelham Road South, Gravesend	0
20180544	Permitted	The Clarence PH, 77 Windmill Street, Gravesend	0
20190410	Permitted	148 Darnley Road, Gravesend	0
20190473	Permitted	Shepherds Gate, Whitehill Road, Meopham	0
20190493	Permitted	93 Edwin Street, Gravesend	0
20190506	Permitted	Hand Car Wash & Don's Tyres 67-77 High Street, Northfleet	0
20190579	Permitted	94 Windmill Street, Gravesend	0
20191126	Permitted	Linden, Whitehill Road, Meopham	0

Site Reference	Status	Site Name	Total no. of dwellings 2020-2025
20200033	Permitted	22 Manor Road, Cobham	0
20191255	Permitted	12 -16 Queen Street, Gravesend	-4
20170610	Permitted	Chapter Farm House, Watling Street, Higham	-1
Windfalls	Not applicable	Not applicable	150
Total			2,574

Classification: Public
Key Decision: No

Gravesham Borough Council

Report to: Cabinet
Date: 22 March 2021
Reporting officer: Stuart Bobby, Chief Executive and Michelle Batstone,
Corporate Change Manager
Subject: GBC Response to EU Transition

Purpose and summary of report:

To provide Members with an update on the EU Transition period and Gravesham Borough Council's response and activities in relation to this.

Recommendations:

Members are asked to note the actions undertaken by the council in preparing for the UK's exit from the EU and to note the future requirements set out in the report.

1. Background and Information

- 1.1 The United Kingdom formally exited the European Union on 31 January 2020 and entered a transition period which expired at 23:00 (GMT) on 31 December 2020.
- 1.2 On 24 December 2020, an agreement was reached between the UK and the EU setting out the UK's future relationship with the EU, ensuring that the UK exited the EU with a deal in place and distinguishing the concerns of a 'no deal' departure from the EU. This agreement was ratified by Parliament on 30 December and received royal assent on 31 December 2020, introducing the European Union (Future Relationship) Act 2020.
- 1.3 The UK's exit from the EU has resulted in a number of changes both in terms of UK law and regulations that impact on local authorities.

2. Response to the EU Transition Requirements

- 2.1 In order to mitigate the effects of the EU Transition after 31 December 2020, the Council put in place a number of work streams in order to ensure the council was fully prepared for the end of the period. This included ongoing meetings with the Kent Resilience Forum, ongoing Business Continuity Planning, implementation of Resilience Checklists and internal resilience working groups.

- 2.2 Specifically, there have been a number of key areas where the council has had to focus its attentions in terms of changes to regulations and working practices as follows:
- 2.2.1 Access to social housing and homelessness assistance
 - 2.2.2 Community engagement and communications
 - 2.2.3 Regulatory Services
 - 2.2.4 Housing Benefits
 - 2.2.5 Internal Operations
 - Council employees & apprenticeships
 - Data
 - Procurement
- 2.3 Appendix two provides additional detail about each of the points above and the specific actions the council has taken to address these areas.

3. Future requirements

- 3.1 There are a number of aspects of the EU Transition that are due to come into effect later this year:
- 3.1.1 EU Settlement Scheme application deadline – 30 June 2021
As set out in appendix two, the end of the EU Settlement Scheme applications process will bring about changes to the eligibility of EEA citizens accessing social housing and homelessness support.
 - 3.1.2 A new Environment Bill is in the process of going through Parliament, with amendments to the planned legislation likely to be debated by Parliament in the Spring 2021. The Bill replaces EU environmental legislation; the UK's exit from the EU removes the EU as the UK 'watchdog', thus one of the initiatives the Bill aims to achieve is to create an independent watchdog, the Office for Environmental Protection, to 'hold the government to account'. The council will need to review and respond to these changes as and when necessary.
 - 3.1.3 Central Government have produced a Green Paper entitled "*Transforming Public Procurement*" which is intended to overhaul the public sector procurement regime. The council will continue to monitor its development and respond to the identified changes as necessary.
- 3.2 In addition, the UK's exit from the EU is likely to have a significant impact on a range of social, economic and environmental inputs to the planning system and the assumptions made in the council's Local Plan. At this stage however, it is difficult to quantify exactly what these changes will be and as such, it will be necessary for officers to closely monitor changes as they come into effect in the coming months to ascertain any impact this may have.
- 3.3 Finally, as set out in appendix two in relation to the 'Data' aspect of the council's operations, there is a need to await the outcomes from the European Data Protection Board (EDPB) in relation to UK adequacy decisions. Once the decision is made regarding this, further actions can be identified as necessary.

4. Consideration of GBC's Local Housing Need requirements

- 4.1 The Borough's local housing need requirement is set by the Government through the 'Standard Method' published as part of the Government's Planning Practice Guidance. One of the key inputs into the 'Standard Method' is the 2014-based household projections in England. These projections are informed by the 2014-based population projections, which are trend-based and take into account fertility, mortality and migration (both internal and international) data from the years 2009 to 2014. These trends are projected forward by 25 years for each local authority in England to provide an indication of what the future population might be if these trends continued. The principal reason for continuing to utilise the 2014-based household and population projections is that they assist the Government in planning for achieving its stated goal of delivering 300,000 dwellings per annum by the mid-2020s. These trends do not take into consideration factors such as the UK's exit from the EY, the Covid-19 pandemic or the opening of the Hong Kong Visa for British Nationals (Overseas).
- 4.2 More recent household projections for England have shown a fall in the number of projected households when compared to the 2014-based household projections, as such the opening of the Hong Kong Visa for British Nationals (Overseas) should not have a material impact upon the Borough's housing need moving forward, unless levels of international migration become significantly greater than the trend experienced between 2009 to 2014. At this stage, there is no evidence to suggest that this will be the case.
- 4.3 This will continue to be monitored alongside any other changes resulting from the UK's exit from the EU.

5. Background papers

- 5.1 Background papers pertaining to this report are held by the Corporate Change team. Anyone wishing to inspect background papers should, in the first place, be directed to Committee & Electoral Services who will make the necessary arrangements.

IMPLICATIONS	APPENDIX 1
Legal	The Withdrawal Agreement concluded between the European Union and the United Kingdom establishes the terms of the United Kingdom's orderly withdrawal from the EU, in accordance with Article 50 of the Treaty of the European Union. The Withdrawal Agreement entered into force on 1 February 2020, after having been agreed on 17 October 2019. The UK and EU announced the Trade and Cooperation Agreement (TCA) on 24 December 2020, along with an Agreement on Nuclear Cooperation and an Agreement on Security Procedures for Exchanging and Protecting Classified Information. This agreement was ratified by Parliament on 30 December 2020 through the European Union (Future Relationship) Bill, which incorporates the TCA. This received royal assent on 31 December 2020 and became the European Union (Future Relationship) Act 2020. The agreements change the basis of our relationship with our European neighbours from EU law to free trade and friendly cooperation. Further to the UK/EU agreements, a number of changes have been made to UK Law to encompass or amend, as necessary, provisions that were previously in laws in relation to the EU.
Finance and Value for Money	Any changes in financial / procurement legislation with regard to the withdrawal from the EU will be noted and incorporated into our accounting policies and practises where appropriate to do so. There are no value for money implications as the council will continue to ensure value for money considerations have been taken into account in all its undertakings.
Risk Assessment	The specific risk related to EU Exit has been identified and risk assessed against the council's risk scoring matrix. Based on this risk assessment, the risk itself was not deemed significant enough to be added to the Corporate Risk Register 2021-22. However, this risk will continue to be monitored and reviewed at a service level. This risk is partially covered in the risk to "Changes in national priorities and legislative change" which does feature on the Corporate Risk Register 2021-22.
Data Protection Impact Assessment	<i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i>
	a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data? As set out within the report and its appendices, the UK leaving the EU does bring about changes to the Data Protection and GDPR rules affecting the UK in its entirety. This is not a specific project that requires consideration of GDPR requirements but all council processes and procedures as necessary.
	b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A
	c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk. N/A
Equality Impact Assessment	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer.

IMPLICATIONS	APPENDIX 1
	No
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer. No
	<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>
Corporate Plan	The UK's exit from the EU has the potential to impact on a number of services across the council and therefore <u>could</u> impact on the delivery of all council services.
Climate Change	The Trade and Cooperation Agreement sets out how the UK and EU will continue to cooperate on specific issues, including Climate Change, and have restated their individual commitments to this agenda (article 8.5 of the Trade and Cooperation Agreement).
Crime and Disorder	The Trade and Cooperation Agreement establishes a new framework for law enforcement and judicial cooperation in criminal and civil law matters. It recognises the need for strong cooperation between national police and judicial authorities, in particular for fighting and prosecuting cross-border crime and terrorism.
Digital and website implications	There has been a need to ensure the council has promoted the changes that are required in relation to the UK leaving the EU on its own website. These details can be found as follows: https://www.gravesham.gov.uk/home/business/brexit-advice
Safeguarding children and vulnerable adults	The government has provided additional guidance in relation to the provision of children's services following the UK's exit from the EU. Whilst GBC are not a direct provider of children's services, there is a need for the council to keep abreast of the guidance, given its close working with Kent County Council. In addition the EU Settlement Scheme will introduce changes to the access to social housing and homelessness support for those who are not classed as having 'settled status of a 'right to remain' which may result in safeguarding issues.

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Access to social housing and homelessness assistance for European Economic Area (EEA) and Swiss citizens in England

Background:

The Withdrawal Agreement, which came into force on 31 January 2020, sets out the terms of the UK's exit from the European Union. Part of this agreement sets out to preserve the rights of EEA citizens and their family members who are resident in the UK, or who are working in the UK but not primarily resident (known as frontier workers) before the end of the transition period.

The EU Settlement Scheme (EUSS) enables EEA citizens who are resident in the UK by 31 December 2020, and their family members, to apply for UK immigration status. The deadline for applications to the EUSS by those residing here at the end of the transition period is 30 June 2021.

Newly arriving EEA citizens, moving to the UK from 1 January 2021, will no longer be able to rely on rights to reside under EU law. They will not have any rights under the Withdrawal Agreements unless they are protected in another capacity, for example, where they are a family member joining an EEA citizen who was residing in the UK before the end of the transition period on 31 December 2020.

Arrivals in the UK from 1 January 2021 you will be able to apply for an immigration status under the future immigration system. The new points-based immigration system will align the treatment of EEA citizens with that of other foreign nationals, including for the purpose of access to benefits and public services.

What does this mean for local authorities?

Newly arriving EEA citizens and their family members will not be eligible for an allocation of social housing or homelessness assistance until they are granted indefinite leave to remain (typically after five years of continuous residence in the UK), unless exempted under the Eligibility Regulations, for example, by having a refugee status.

When EEA applicants, alongside their family members, present to local authorities from 1 January 2021, they will need to provide evidence of their immigration status. Those who have applied and been granted status under the EUSS will be able to use their digital status to demonstrate their entitlement to access social housing or homelessness assistance. Whilst not seen as an extension of local authorities' responsibilities with regards to the allocation of homelessness assistance, there may be a need to conduct extra checks to be able to determine an applicant's eligibility.

Generally, persons subject to immigration control are not eligible for housing assistance. However, by virtue of regulation 5 of the Eligibility Regulations there are a number of exemptions that apply.

After 30 June 2021, any EEA citizen who cannot prove that they and their family member applied to the EUSS before the deadline of 30 June 2021, will not be eligible for support. They will be considered a person subject to immigration control and will not be eligible for an allocation of social housing or homelessness assistance.

Specific updates have been made to the *Homelessness code of guidance for local authorities* published by the Ministry of Housing, Communities and Local Government (MHCLG). These have largely been around eligibility for access to assistance from local authorities.

Action taken by Gravesham Borough Council

1. The Council has been working and continues to work with partners to support EEA nationals to apply to the EU Settlement Scheme (EUSS). This will ensure that EU nationals living in the UK before 1 January 2021 are granted Settled or Pre-settled status to protect their right to remain in the UK. Applications can continue to be made up until the 30 June 2021.
2. The revised Housing Allocation Scheme reflects the changes brought about by Withdrawal Agreement; this was presented and approved at the Housing Services Cabinet Committee on 4 February 2021. Further detail can be found: <http://democracy.gravesham.gov.uk/documents/s61329/Appendix%202%20-%20Housing%20Allocations%20Scheme%20Final%20DK.docx.pdf>
3. The Service Manager (Housing Options) has provided officers with information regarding the changes to the eligibility rules, to enable them to assess eligibility correctly. Further training on eligibility will be commissioned by the service to ensure that officers have an in-depth understand of the new rules.

Communications and Community Engagement

Background:

The Withdrawal Agreement, which came into force on 31 January 2020, sets out the terms of the UK's exit from the European Union, with the UK officially leaving the EU at 23:00 on 31 December 2020. The UK's exit from the EU brings about significant changes for residents and businesses alike.

The impact on businesses, depending on the nature of the business however, could be significant and it is important that businesses are supported through the process.

The UK Government produced a *Local Communications Toolkit* to assist in supporting and preparing business in local areas through the transition.

What does this mean for local authorities?

The toolkit produced provides guidance and assets for use in communication efforts to ensure businesses in a local authority's local area has the right information to keep their business moving.

Whilst not mandated, local authorities have been encouraged to use the information within this toolkit to communicate and ensure local businesses are engaged in the transition process and are prepared for the changes that the UK leaving the EU will enforce.

Action taken by Gravesham Borough Council

GBC Social Media channels were used to share messaging urging businesses and residents to prepare for changes as a result of the UK's exit from the EU. Messages were shared initially in March 2020 and then again through autumn and winter 2020.

General messages used UK Government supplied social media graphics and suggested messaging and included links to Government advice pages.

Messaging also promoted webinars hosted by Kent Invicta Chamber of Commerce with links to allow businesses to register.

The council put in place a number of web pages to provide advice and guidance to businesses across the borough - <https://www.gravesham.gov.uk/home/business/brexit-advice/brexit-business-support/overview> . This has been communicated to businesses through the Gravesham Business Network and also through various social media posts.

Contact was made with a number of local business advisors (accountants and other professionals) to share details of a webinar programme being run by the Border and Protocol Delivery Group. The webinars were targeted specifically at those advising businesses on specific aspects of their activities rather than being targeted to the exporters themselves.

Regulatory Services

Background:

The European Union (Withdrawal) Act 2018 as amended converted directly applicable EU legislation (in particular, EU Regulations and Decisions) as it stood at the end of the transition period into domestic law. It preserves legislation previously made in the UK to implement EU obligations.

The legislation generally has the same effect that it had before the end of the transition period, although some aspects have been amended by statutory instruments (SIs) made under the EUWA.

What does this mean for local authorities?

Specifically in relation to the Food Standards Agency, the FSA have provided a full list of the EU Exit statutory instruments (SIs) to fix inoperability's in retained EU law for food and feed safety and hygiene. These UK-wide SIs ensure that the retained EU law operates in Great Britain, they also include the England national enforcement corrections to ensure that the current England-only enforcement regulations continue to work properly with the retained EU law.

The FSA must ensure that all guidance documents and material that it produces includes the correct referencing to UK law and all relevant functions, systems and institutions. Local authorities must then ensure they are also referencing the correct information in all material that they produce.

There have also been a number of Statutory Instruments introduced to amend legislation relating to those regulatory aspects that fall within the remit of DEFRA, such as air quality.

The introduction of the points-based immigration process will also have a minor impact on how councils will carry out right to work checks for prospective licence holders due to changes in eligibility criteria.

Action taken by Gravesham Borough Council

1. Officers have continued to keep a close watching brief on developments, including by way of attendance at Kent-wide groups.

The practical implications for Regulatory Services relate to food, primarily in terms of imports, exports, safety/measurements, labelling and training.

The council's Environmental Health service/officers have been largely unaffected however as Gravesham does not have a border inspection post, any registered businesses which import/export relevant products, or any fishing vessel inspections to undertake, and does not provide export health certification for externally-based producers.

Furthermore, labelling is regulated by Trading Standards and is not therefore a local authority function.

2. Despite not being significantly affected as outlined above, some non-urgent administrative matters will require attention in due course:
 - i. Officers need to remain competent and knowledgeable through training, experiential learning and continuous professional development. The FSA provide/are developing a number of e-learning training courses to facilitate this, for example, training for inland authority officers on imported foods and official controls, which relevant staff will likely need to complete for this purpose.
 - ii. Relevant powers are delegated to officers by way of written, formal letters of authorisation. Provisions were included within the European Union (Withdrawal) Act 2018 (as amended by The European Union (Withdrawal Agreement) Act 2020) to ensure that the EU law which underpins existing officer authorisations will continue to provide a legal foundation to cover the transition period itself, and beyond. Whilst this means that officer authorisations did not come to an abrupt end on 1 January 2021, it will be prudent for updated authorisations to be created in due course.

Application for Housing Benefits

Background:

The Withdrawal Agreement, which came into force on 31 January 2020, sets out the terms of the UK's exit from the European Union. Part of this agreement sets out to preserve the rights of EEA citizens and their family members who are resident in the UK, or who are working in the UK but not primarily resident (known as frontier workers) before the end of the transition period.

From 1 January 2021 all the housing and benefit entitlements of European nationals who lived lawfully in the UK before then continue as they were before exit day but to preserve the rights they had before 1 January 2021, European nationals must apply to the EU Settlement Scheme by 30 June 2021.

EEA citizens coming to the UK under the new points-based immigration system from 1 January 2021 will have the same access to benefits as non-EEA migrants. All non-British citizens (excluding Irish citizens) who arrive from 1 January 2021, except for in special circumstances, will be restricted from accessing income-related benefits until they have achieved indefinite leave to remain, typically after 5-years.

What does this mean for local authorities?

For local authorities, there will be a need to review processes and guidance to ensure it is reflective of the new regulations that will be in place, after 30 June 2021. Eligibility criteria will need to be amended and officers may also need to be re-trained in line with the changes that the EU Settlement Scheme has brought about for citizens.

From 1 January, all EEA nationals need to provide evidence of their status if applying for housing or benefits. All those with settled status or pre-settled status retain the same eligibility they already have. Those who have applied and been granted status under the EUSS will be able to use their digital status to demonstrate their entitlement to access assistance.

Action taken by Gravesham Borough Council

1. The council is awaiting detailed guidance from the Department for Work and Pensions regarding specific elements of the housing benefit scheme.
2. Training will be undertaken and procedures changed where appropriate once guidance (point 1) is received.
3. Staff are aware of forthcoming changes for existing claimants who are European nationals. Impact is low at this point as existing claimants have until 30 June 2021 to apply to the EU Settlement scheme. Any new claims will have to be made for Universal Credit so the responsibility for eligibility checks will lie with the Department for Work and Pensions.

Internal Operations Council Employees and Apprenticeships

Background:

EEA and Swiss citizens and their family members (including children and non-EU citizens) need to apply to the EU Settlement Scheme to continue to live, work and study in the UK beyond 30 June 2021.

From 1 January 2021, the UK will introduce a points-based immigration system. Employers will need to be a licensed sponsor to hire eligible employees from outside the UK. Anyone that an organisation may wish to hire from outside the UK, excluding Irish citizens, will need to apply for permission in advance.

It is not necessary for Irish citizens to apply or if the citizen already has indefinite leave to remain or enter the UK.

Job applicants will need to prove their right to work, although there will be no change to right to work checks until after 30 June 2021 and organisations will not be required to undertake retrospective checks on existing EU employees.

In terms of apprenticeships and eligibility for apprenticeship funding, a UK national is eligible for funding if they have been ordinarily resident in the UK or EEA (including other countries determined to be within the EEA or those with bilateral agreements) for at least the previous three years on the first day of the apprenticeship. UK nationals living in the EEA or Switzerland wishing to start an apprenticeship in England before 1 August 2021 will continue to be eligible on the same basis as now.

EEA nationals will remain eligible for the full funding year 1 August 2020 to 31 July 2021. Following the UK's exit from the EU, this eligibility will no longer exist.

What does this mean for local authorities?

Local authorities are major employers across the country and it is likely that authorities will have employees who are EEA or Swiss citizens. Given the valuable contribution that these citizens make to businesses and organisations across the UK, it is important that they understand the EU Settlement Scheme, albeit there is no mandatory requirement for organisations to communicate or promote this scheme to their employees.

It will be necessary for local authorities to undertake *Right to Work* checks where applicable, using any of the following as evidence:

- The applicants valid passport or national identity card (until 30 June 2021) if they're an EU, EEA or Swiss citizen;
- The applicants valid biometric residence card (until 30 June 2021) if they're a non-EU, EEA or Swiss citizen family member
- The applicants digital status under the EU Settlement Scheme using the Home Office's online 'view and prove your immigration' status service to generate a share code.

Action taken by Gravesham Borough Council

All job applicants including those applying for apprenticeship positions are currently required to provide evidence of their right to work in the UK. Additional checks will be made from 30/06/2021 to ensure that applications from EU citizens have an appropriate residence document to indicate their immigration status and permission to continue to work legally in the UK. An EU passport alone may no longer be evidence of a right to work in the UK for EU nationals. The Resourcing Team have been briefed on the new requirements and evidence will be logged and saved on the employees personnel file for auditing purposes.

We have a duty not to discriminate against EU, EEA or Swiss citizens. Therefore, we cannot request from our current employees to provide evidence of their status under the EU Settlement Scheme. We must be careful not to provide immigration advice, but we can raise awareness and reiterate what is required should they need to apply to the EU settlement scheme. The .GOV website has a range of resources we can utilise and will be circulating these to all employees by the end of February 2021.

Internal Operations Data

Background:

The Withdrawal Agreement, which came into force on 31 January 2020, sets out the terms of the UK's exit from the European Union, and included specific wording regarding the use of data both prior to and following the end of the transition period.

The UK had previously signed up to the provisions of the General Data Protection Regulation (GDPR), which came into force on 25 May 2018. The GDPR provided a set of EU-wide data protection rules, which were brought into UK law as the Data Protection Act 2018. The General Data Protection Regulation (GDPR) has been retained in UK law and will continue to be read alongside the Data Protection Act 2018, with technical amendments to ensure it can function in UK law.

What does this mean for local authorities?

The EU GDPR has been written into UK legislation by the Withdrawal Act as the UK GDPR. The EU Exit Regulations applied technical amendments to make the GDPR work in a UK context, but the principles and rules are essentially unchanged. The UK government is committed to maintaining the same high standards of data protection.

The Data Protection Act 2018 (DPA 2018) also remains in place with some technical amendments. Processing previously covered by the 'applied GDPR' now falls under the UK GDPR. The Privacy and Electronic Communications (EC Directive) Regulations 2003 (PECR) is unchanged aside from references within it to the GDPR are now to the UK GDPR.

Transfers of data from the UK to the European Economic Area (EEA) are not restricted. The EU Exit Regulations provide provisional arrangements so that UK adequacy regulations include the EEA and all countries, territories and international organisations covered by European Commission adequacy decisions valid as at 31 December 2020. The UK intends to review these adequacy regulations over time.

In terms of receiving data, as part of the trade deal, the EU has agreed to delay transfer restrictions for four to six months (known as the bridge). This means that data can flow freely from the EEA as before. The EU Commission has stated that it intends to promptly launch the procedure for the adoption of adequacy decisions under the GDPR and the Law Enforcement directive. In the absence of an EU adequacy decision at the end of the bridge, these transfers will need to comply with EU GDPR transfer rules. The ICO recommend that all organisations put alternative safeguards in place before the end of April 2021.

The ICO have provided detailed guidance to support organisations during the transition period. The key advice for organisation who do not have contacts in the EEA who provide you data, and there are no customers in the EEA is to ensure a review of privacy notices, DPIAs and other documentation is undertaken to identify any minor changes that need to be completed now the Brexit transition period has ended.

Action taken by Gravesham Borough Council

The council identified that the only risk to the council was where data is hosted on cloud servers within the EU. The recommendation was to contact all relevant providers and find out what their plans were in the event of a no-adequacy decision.

The European Commission has published its draft UK adequacy decisions on 19 February 2021. If adopted these decisions will allow for continued free flow of personal data from the EU into the UK.

As well as its decision under the General Data Protection Regulation (GDPR), the EU also published another draft decision for personal data related to law enforcement.

The adequacy decisions are now with the European Data Protection Board (EDPB) who will deliver an opinion to the European Commission and representatives from the EU member states.

During this process, UK businesses and public authorities will continue to be able to receive data from the EU under the adequacy bridge agreed in the 2020 trade and cooperation agreement.

Following the above, the Information Governance Strategy Group have assessed the situation and have agreed that there is no longer a necessity to contact providers and will await the outcome of the EDPB opinion and the EC final decision.

Internal Operations Procurement

Background:

Contracting authorities have legal obligations under the procurement regulations to publish certain notices in relation to public procurement opportunities.

Prior to the UK leaving the EU, this meant that all qualifying procurement opportunities had to be published on the Official Journal of the European Union (OJEU) or Tenders Electronic Daily (TED).

The Withdrawal Agreement, which came into force on 31 January 2020, sets out the terms of the UK's exit from the European Union. Further to this, the Public Procurement (Amendment Etc.) (EU Exit) Regulations 2020 and the Defence and Security Public Contracts (Amendment) (EU Exit) Regulations 2020, have been laid before Parliament and, once made, will make amendments to the Regulations to address deficiencies arising from the UK's withdrawal from the EU and to give effect to the public procurement chapter of the Withdrawal Agreement agreed between the UK and the EU. These amendments are being made to ensure public procurement law operates effectively after the end of the transition period and include new requirements on publication of notices for new procurements.

What does this mean for local authorities?

The main change to the existing public procurement regime is that from 23:00 on 31 December 2020, any new UK procurement opportunities and procurement notices need to be published on the UK e-notification service called the *Find a Tender* service (FTS). The introduction of the new service means that new UK procurement opportunities will no longer be sent to the Official Journal of the European Union (OJEU) or Tenders Electronic Daily (TED).

Where a procurement is in progress at the end of the transition period, the current requirement to publish notices on OJEU/TED will continue to apply. Specifically if a procurement has been commenced but not finalised by the end of the transition period, all relevant notices - contract notice, contract award notice, contract amendments notice and corrigenda – will continue to be published on OJEU/TED. The publication of notices for new procurements that were launched after 11pm on the 31 December must be published on FTS before Contracts Finder or any other portal.

If contracts are awarded under a framework agreement or dynamic purchasing system that was concluded or launched before the end of the transition period the same rules continue to apply and any notices which are currently required to be published in OJEU/TED should continue to be published there.

If contracts are awarded under a framework agreement or dynamic purchasing system where the procurement procedure to establish that framework agreement or dynamic purchasing system was launched after the end of the transition period, notices that would have been required to be published on OJEU/TED should be published on FTS.

Action taken and further actions identified

Public Sector Procurement

In relation to public sector procurement, the legislation doesn't change (EU law was implemented by Public Contracts Regulations 2015 most recently). This was part of wider intentions that statute books function "as normal" after the EU exit. Namely:

- a) There must be free and unrestricted online access to tender documents for any interested suppliers.
- b) All suppliers need to be provided with exactly the same information in terms of documentation and any queries that are raised
- c) All tender submissions from suppliers, regardless of value, must be returned through a secure online post-box facility –This serves to keep all bids anonymous until the deadline has expired.
- d) Values above £25,000 need to be uploaded to the Contracts Finder website. If the value is above the relevant EU threshold¹, this also needs to be advertised in the "Find a Tender Service". Contracts Finder is essentially a transparency register and does not have the functionality required to conduct competitions or carry out contract management processes. As such, Gravesham along with other Kent authorities utilise an off-the-shelf eProcurement platform (Kent Business Portal, awarded to "Proactis") for competitions.

Ideally, Gravesham would manage their contracts via the same system in order to centralise resources and simplify administration as much as possible. This is currently being investigated by officers.

State Aid/Subsidy

The rules and language around state aid changed from 11pm 31 December 2020 when the UK left the EU. State aid does not apply to aid awarded after 31 December 2020. The EU may still investigate until 11pm 31 December 2024. Instead a subsidy may be awarded. There is still a need to comply with WTO (World Trade Organisation), and NI (Northern Ireland) Protocol:

- a) A subsidy can be a financial or other in kind contribution to a business/ enterprise; and potentially affects international trade i.e. subsidies to local companies or within the locality are unlikely to impact on international trade. A grant or loan to a business selling in an international market could.
- b) It is important to note examples may not just be financial; loans, peppercorn rents, etc. may all fall into the legislation.

Ideally, implications and potential subsidies are best identified via managers, and how this is captured further (either through the decision making process or via a Register) will need to be identified.

¹ Procurement thresholds in 2020 relevant to Gravesham are: £189,330 Supplies, Service and Design Contracts; £4,733,252 for Works Contract.

Impact on Supply Chains

The rules around VAT for goods brought in from outside the UK have changed. Depending on the value, and buyer, suppliers may have to register for VAT with the HMRC and collect VAT on behalf of the HMRC. Therefore there is some concern this could affect supply chains, of goods. This may not be immediately apparent from supplier information held on the Creditors system (for example in the case of a UK head office).

Ideally, implications and potential subsidies are best identified via a strategic review on key suppliers (based on strategic important and value of the contract). It is anticipated that this will be undertaken during the Summer 2021 to identify high risk areas (high value, strategic suppliers).

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Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Cabinet

Date: 22 March 2021

Reporting officer: James Larkin, Head of Audit & Counter Fraud Shared Service (Chief Audit Executive)

Subject: Counter Fraud & Corruption Strategy

Purpose and summary of report:

To seek Cabinet Approval to adopt the new Counter Fraud & Corruption Strategy

Recommendations:

1. Approve the proposed Counter Fraud & Corruption Strategy document presented at Appendix 2.

1. Introduction

- 1.1 The council has an Anti-Fraud and Corruption Strategy sets out the council's approach to combating of fraud and corruption and is designed to ensure the risk of such activity is reduced to its lowest possible levels.
- 1.2 In March 2020 CIFAS published the Fighting Fraud and Corruption Locally Strategy 2020, outlining the best practice for local authorities to adopt. This update in best practice indicated the need for an in-depth review of the council's own strategy to ensure it reflected these updates and accurately reflected the council's approach.

2. Counter Fraud & Corruption Strategy

- 2.1 The council has had an Anti-Fraud and Corruption Strategy in place for a number of years, which has been reviewed annually and subject to minor amendments as necessary. The strategy was structured around three pillars of activity identified in the Fighting Fraud and Corruption Locally Strategy 2016. These being:
 - **Acknowledge** - Acknowledging and understanding fraud risks and committing support and resource to tackling fraud in order to maintain a robust anti-fraud response.
 - **Prevent** - Preventing and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes and developing a more effective anti-fraud culture.

- **Pursue** - Punishing fraudsters and recovering losses by prioritising the use of civil sanctions, developing capability and capacity to investigate fraudsters, and developing a more collaborative and supportive local enforcement response.
- 2.2 CIFAS published the Fighting Fraud and Corruption Locally Strategy 2020, which outlined that there were now five pillars of activity. The original three remained and with the addition of:
- **Govern** - Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation. Having a holistic approach to tackling fraud is part of good governance.
 - **Protect** - Protecting against serious and organised crime, protecting individuals from becoming victims of crime and protecting against the harm that fraud can do to the community.
- 2.3 A new strategy has been written, and although is not structured around those specific headings, it has been designed to incorporate the five pillars of activity outlined in the new best practice as well as reflecting the council's approach to combatting fraud and corruption.
- 2.4 The new Strategy was presented to Members of the Finance & Audit Committee on 15 February to seek their endorsement. Since that meeting, the strategy has been renamed the Counter Fraud & Corruption Strategy and at the request of a Member, further information has been added to section 7 to advise members of the public reporting concerns via email, that they can request to remain anonymous with contact information not being shared outside of the Audit & Counter Fraud Service.
- 2.5 The Counter Fraud & Corruption Strategy provided at Appendix 2 is for Members formal approval and adoption.

3. BACKGROUND PAPERS

- 3.1 Fighting Fraud and Corruption Locally Strategy 2020.
<https://www.cifas.org.uk/secure/contentPORT/uploads/documents/FFCL%20-%20Strategy%20for%20the%202020's.pdf>

Anyone wishing to inspect background papers should, in the first place, be directed to Committee & Electoral Services who will make the necessary arrangements.

IMPLICATIONS		APPENDIX 1
Legal	The Local Government Act 1972 provides the Council with the ability to investigate and prosecute offences committed against them. Section 151 of the Local Government Act 1972 requires the council to “make arrangements for the proper administration of their financial affairs”. This includes the management of housing stock which may be funded by government grants.	
Finance and Value for Money	Effective counter fraud arrangements are intended to detect, prevent and respond to fraud entering the system, which in turn would stop or reduce the risk of financial loss to the council and the wider public purse. The Counter Fraud service undertakes activity that is aimed at identifying fraud and error that could have an adverse effect on the financial statements of the council.	
Risk Assessment	The council should publicise its arrangements for preventing, detecting and investigating fraud and corruption to inform the public, stakeholders, Members and officers of the arrangements in place and, more specifically, how they are able to report any suspicion or concerns. The strategy and policy documents within this report should also act as a deterrent for those intending to attempt to commit fraudulent actions against the council. Failure to approve the updated and newly proposed policy documents will result in the council's strategic anti-fraud and corruption arrangements not reflecting current legislation and local arrangements for investigating fraud and corruption activity.	
Data Protection Impact Assessment	<i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i>	
	a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data? A definition of each type of data can be found on the Information Commissioner's Office website via the above links.	
	b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A	
	c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk. N/A	
Equality Impact Assessment	a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer. N/A	
	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer. N/A	
	<i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>	

Corporate Plan	The work of the Audit & Counter Fraud Team supports the council in achieving all of its objectives set out in the Corporate Plan but is particularly relevant to Objective #3 Progress.
Climate Change	There are no climate change implications to this report.
Crime and Disorder	The counter fraud arrangements of the council acknowledge that the council can be exposed to fraud and are intended to, as far as possible, prevent fraud occurring and pursue criminal action if needed when fraud is detected. Working with partners to combat crime and disorder has a positive contribution to community safety in its broadest sense.
Digital and website implications	The council's Anti-Fraud & Corruption Strategy is published on the councils website.
Safeguarding children and vulnerable adults	There are no direct safeguarding implications to this report.

Gravesham Borough Council

Counter Fraud & Corruption Strategy

Document Control

Organisation	Gravesham Borough Council
Title	Counter Fraud & Corruption Strategy
Author	James Larkin, Head of Internal Audit & Counter Fraud
Owner	Audit & Counter Fraud Team
Subject	Counter Fraud
Protective Marking	Unclassified
Review Date	

Revision History

Revision Date	Reviser	Previous Versions	Reason for Revision

Document Approvals

This requires the following approvals:

Sponsor Approval	Name	Date
Management Team	Stuart Bobby (Chief Executive)	
Finance & Audit Committee	Gurbax Singh (Chair of Finance & Audit Committee)	
The Cabinet	John Burden (Leader of the Council)	

Document Distribution

This document will be distributed to:

Name	Job Title	E-Mail Address
All Council employees and Elected Members	All job titles	Via policy distribution process.
All employees of shared services commissioned by the Council.	All job titles	Via agreed process.
Publication on staff intranet and Gravesham Borough Council public website.	N/A	N/A

Introduction

Gravesham Borough Council ('The Council') is funded by the "public purse" and aims to deliver high quality services and provide value for money by being fully accountable, honest, and open in everything that it does.

The Council recognises that fraud, bribery, and corruption undermine these aims by diverting resources from legitimate activities, damaging public confidence in the Council, adversely affecting staff morale and the standards of public service, which the council promotes.

The Council has a zero-tolerance approach to fraud and corruption to protect public funds and achieve its strategic priorities. The aim of this strategy is to ensure that the opportunity for fraud and corruption is reduced to the lowest possible risk and is designed to:

- Encourage prevention,
- Promote detection,
- Support investigation, and
- Deter others.

This strategy is particularly relevant to:

- elected Members,
- employees,
- contractors,
- consultants,
- suppliers,
- service users,
- customers (including the public), and
- partner organisations.

1. Statement of intent

"In administering its responsibilities, the Council is opposed to fraud and corruption whether it is attempted on or from within the Council and is committed to preventing, deterring, detecting and investigating fraud and corruption."

The Council is committed to protecting its assets and promoting honesty and integrity in all its activities. The Council will continually strive to ensure that all its financial and administrative processes are carried out and reported honestly, accurately, transparently, and accountably and that all decisions are taken objectively and free of personal interest. All staff and elected members must always act honestly and with integrity and safeguard the resources for which they are responsible.

The council will:

- create a counter fraud culture,
 - Promote Member, officer, the general public and other stakeholder awareness of fraud, bribery and corruption,
 - Offer specific training on these issues to officers in key positions within the organisation, and

- Encourage Members, officers, the general public and other stakeholders to report any concerns or suspicions,
- prevent fraud wherever possible,
- take steps to detect instances of fraud,
- undertake professional investigation of detected fraud,
- use sanctions, including legal action, against people committing fraud, and
- take necessary steps to recover defrauded funds.

The Council will target and fight all identified or suspected instances of fraud or corruption including but not limited to:

- Financial irregularity
- Misuse of office
- Misuse of Council property
- Corruption
- Collusion
- Theft
- Bribery
- Stealing supplies
- Working while on sick leave
- Falsifying time sheets and expense claims
- Selling Council equipment
- Failure to declare an interest
- Fraudulent tendering process
- Fraudulent property letting
- Fraudulent certification for payment of goods or services not received.
- Council tax fraud
- Business Rates (NNDR) fraud
- False homelessness
- Falsification of circumstances to secure council housing
- Tenancy fraud
- Right to buy fraud

3. Definitions

Fraud: any intentional act or omission designed to deceive others, resulting in, or intended to result in the victim suffering a loss and/or the perpetrator achieving a gain. The Fraud Act 2006 sets out, in broad terms, three categories of offence:

- Fraud by false representation
- Fraud by failing to disclose information, and
- Fraud by abuse of position (exploiting a position of trust within the authority for financial or material benefit).

There are also offences for possessing and making or supplying articles for use in such frauds.

Theft: The Theft Act 1968 defines theft as the dishonest taking of property belonging to another person with the intention of depriving the owner permanently of its possession. IN the context of the local

authority this may include dishonestly acquiring, using, or disposing of physical or intellectual property belonging to the council or to individual members of the authority.

Corruption: The abuse of one's position for direct or indirect personal gain. It covers the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person.

Bribery: Bribery is defined as the offering, promising, giving, accepting or soliciting of money, a gift or other advantage as an inducement to do something that is illegal or a breach of trust in the course of carrying out an organisation's activities. The Bribery Act 2010 sets out, in broad terms, four categories of offence; bribing another person, receiving a bribe, bribing a foreign public official and the failure of a relevant commercial organization to prevent bribery by an associated person. In essence, the Act makes it a criminal offence to give a bribe to or accept a bribe.

Money laundering: The process of moving illegally generated funds through a cycle of transformation in order to create the end appearance of legitimately earned funds. The Proceeds of Crime Act 2002 details the three principal money laundering offences as:

- assisting another to retain the benefit of crime,
- acquisition, possession or use of criminal proceeds, and
- concealing or transferring proceeds to avoid prosecution.

In addition, there are related offences for failing to report where a person has knowledge, suspicion or reasonable grounds for knowledge or suspicion that money laundering has taken place, as well as for tipping off a person that a disclosure has taken place.

Council Officers and Members who suspect money laundering activities should report their concern to the Council's nominated Money Laundering Reporting Officer (MLRO) (Head of Audit & Counter Fraud) and the Section 151 Officer (Chief Finance Officer/Director of Corporate Services). Further details are contained in the Anti-Money Laundering Policy.

4. Key Principles & Culture

The Council supports the Seven Principles of Public Life identified by the Nolan Committee, recognising that these are fundamental to developing an effective working environment that supports its zero-tolerance approach towards fraud, bribery, and corruption activity. The council is determined that the culture and tone of the organisation will continue to be one of honesty and opposition to fraud, bribery, and corruption.

The Council expects that Members and officers at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures, and practices. Members and officers are expected to adhere to their relevant Code of Conduct and declare any interests they may have that could or could be perceived, to influence them in any decision-making they may be involved in relating to Council business. Members and Officers are also required to declare any gifts or hospitality they are offered relating to their role or Council business, whether these are accepted or declined.

The Council also expects that individuals and organisations (e.g., suppliers, contractors, partners, and service providers) that it comes into contact with, will act with integrity in their dealings with the Council and without thought or actions involving fraud and corruption.

Under the Council's Employee Code of Conduct, employees have a duty to report any suspected cases of fraud or corruption to their immediate line manager (unless the said manager is implicated). Therefore, managers should strive to create an environment in which their staff feel able to approach them with any concerns they may have about suspected irregularities.

Any concerns relating to suspected or alleged fraud, bribery, or corruption; whether these are raised by elected Members, Directors, staff and third parties work on behalf of the council, or members of the public, will be referred to the Audit & Counter Fraud Service for appropriate investigation.

There are mechanisms in place within the Council to act in cases of fraud and corruption. These include the following:

- The council's Employee Disciplinary Procedures identify "fraud, theft or other criminal acts" as examples of gross misconduct. This and other fraudulent or corrupt conduct will normally lead to dismissal.
- The council will seek to apply appropriate sanctions, including prosecution, against those found to be involved in fraud, bribery, and corruption.
- The council will seek full redress through the legal processes available to counter any internal or external fraudulent activities perpetrated against it. This redress will be achieved through criminal and/or civil courts as considered appropriate.

Fraud must be a concern to all members of staff and elected Members, all of which have a responsibility for putting these principles into practice and for reporting any breaches they discover.

5. Framework

Corporate Governance

The Council has agreed a Constitution, which sets out how the Council operates, how decisions are made, and the procedures to follow to ensure that these are efficient, transparent, and accountable to local people. While some of these processes are required by law, others are a matter for the Council to choose.

The council has adopted a Code of Corporate Governance (the Code). The Code acts as the cornerstone to the council's governance framework by which it is accountable to its users and wider community stakeholders. Within that framework, the Code sets out a commitment as to how the council carries out its functions, and the procedures and processes by which it undertakes to deliver the adopted Corporate Objectives.

There are a number of corporate policies and procedures which formulate the Council's framework for minimising risk and the prevention of fraud and corruption. These include:

- Counter Fraud and Corruption Strategy
- Audit & Counter Fraud Charter
- Contract Procedure Rules
- Finance Procedure Rules
- Human Resources Disciplinary Policy and Procedure
- Human Resources Code of Conduct for Employees
- Human Resources Recruitment and Selection Code of Practice

- Members' Code of Conduct
- Anti-Money Laundering Policy
- Risk Management Policy and Strategy
- Scheme of Delegation
- Whistleblowing Policy; and
- Anti-Bribery Policy

It is the responsibility of senior managers to ensure that policies and procedures remain relevant and up to date, including necessary amendment to take into account any changes to legislation or regulations, ensure that all staff have access to the relevant policies and procedures, and that staff receive suitable training as necessary.

Members and employees must ensure that they read and understand the policies and procedures that apply to them and act in accordance with them.

System of Internal Control

The risk of fraud and corruption can be minimised by good financial management, sound internal control systems, effective management supervision, and by raising public, Member, and employee awareness of fraud.

Internal control is the whole system of controls, financial and otherwise, established to provide reasonable assurance of:

- proper aims and objectives,
- efficient and effective operations,
- reliable management information and reporting,
- legitimate expenditure,
- compliance with laws and regulations,
- performance management, and
- security of assets and income.

Responsible officers are expected to ensure that effective internal control arrangements are incorporated into the design or development of systems and procedures. Weaknesses in the design and operation of administrative and financial internal control systems may increase the risk of fraud. Systems should contain efficient, effective, and well documented internal controls that cover the following:

- adequate segregation of duties,
- proper authorisation and approval procedures,
- adequate physical security over assets, and
- reliable monitoring and reporting arrangements,

to protect the council from error, misappropriation, or loss.

It is management's responsibility to install adequate internal controls and rectify weaknesses if they occur. To help management discharge this responsibility, systems may be subject to review by both Internal and External Audit. Auditors are responsible for reporting to management on significant weaknesses in the control environment, including deficiencies in the operation of internal controls and highlighting exposure

to the risk of fraud. Audit recommendations to address control weaknesses are followed up to ensure that they are appropriately actioned.

Assurance of the effective operation of internal control arrangements is requested from management annually as part of the Council's arrangements for preparing the Annual Governance Statement. Managers are required to specifically provide assurance on the effective operation of internal control arrangements and staff awareness of this Strategy.

Management should instigate occasional deterrent compliance checks on the operation of internal controls within their service and are encouraged to seek advice from the Audit & Counter Fraud Service on what checks should be carried out. This work should also be used to inform the Annual Governance Statement.

Members and officers are required to declare any financial and other interest in any outside bodies or organisations, which could be considered or perceived as having an influence on their actions on behalf of the Council.

The Council operates a policy for Improving Performance which incorporates the Council's disciplinary procedure, which applies to all employees. The Council has established a Standards Committee to deal with matters relating to the Member's Code of Conduct.

The Finance and Audit Committee also have a role in providing independent assurance to the Council on the adequacy of the Council's control environment. This role is discharged by the committee through the receipt of regular reports on the work and findings of internal and external audit, and the Council's governance and risk arrangements

Risk Management

The Council has developed a corporate risk register that details the most significant risks to the council being able to deliver its corporate objectives. Fraud risks relating to individual services should be included within Service Risk Registers and subject to regular review to ensure that appropriate controls are in place to mitigate those risks.

Recruitment

The Council recognises that a key preventative measure in the fight against fraud, corruption and bribery is to take effective steps at the recruitment stage to verify the propriety and integrity of the previous records of potential employees of the organisation.

Employee recruitment is required to be in accordance with procedures set out in the council's recruitment guide. This guidance requires a number of checks at the recruitment stage to establish and confirm the previous records of potential employees, including:

- verifying the identity of the applicant,
- obtaining satisfactory references prior to appointment,
- verifying the applicant is able to legitimately work in the UK,
- verifying and retaining copies of certificates for stated qualifications, and
- undertaking Disclosure and Barring Service checks, where appropriate.

These practices apply to all permanent appointments including those where employees have entered the organisation as an agency worker or consultant in the first instance.

Training

The Council recognises that training is a vital tool in implementing a successful Counter Fraud and Corruption strategy, by ensuring that both officers and Members clearly understand their roles and responsibilities within the organisation and carry these out within the Council's framework of policies and procedures. Training is particularly important where employees are required to operate within financial systems or handle monies or personal/confidential information.

It is often the alertness to the possibility of fraud and corruption, of all those involved in a business activity with the Council, that enables detection to occur. Accordingly, the Council will promote a general awareness of fraud, bribery, and corruption to all employees and Members, with specific training provided to officers engaged in the prevention and detection of such activity to ensure that they have the necessary skills to carry out these functions. This specifically includes periodic circulation of counter fraud strategy and policy documents.

The Council is also committed to developing staff who are involved in investigating fraud and corruption and suitable training will be provided where necessary.

Working with Others

The nature and scope of fraud perpetrated against local authorities is varied and often cross-jurisdiction. Accordingly, the Council is committed to working with other organisations to prevent and detect fraud, bribery and corruption. There arrangements are in place to encourage the exchange of information between the Council and other agencies on national and local fraud and corruption activity. This includes participation in the National Fraud Initiative (NFI), which matches data across a wide range of public service organisations in order to detect fraud or erroneous payments

Though not intended to be exhaustive, the Council currently works with the following:

- The Cabinet Office (NFI)
- Police
- Department for Works and Pensions (DWP)
- Home Office
- Kent Investigation Officers Group
- National Health Service
- HM Revenues & Customs
- UK Border Agency

6. Roles & Responsibilities

Statutory Officers

The Council has a statutory responsibility, under Section 151 of the Local Government Act 1972, to ensure the proper administration of its financial affairs and also to nominate one of its Officers to take responsibility for those affairs. The Council's nominated Section 151 Officer is the Director of Corporate Services.

Their responsibilities include (but are not limited to):

- reporting to Members and the External Auditors if the Council, or one of its representatives makes, or is about to make, a decision which is unlawful, or involves illegal expenditure or potential financial loss (Local Government Finance Act 1988 s.114).
- Ensuring that public monies are spent appropriately under their duty to 'protect the public purse', and
- Liaising with the Council's appointed Auditors.

Other operational duties relating specifically to the prevention, detection and investigation of fraud are delegated to the Head of Internal Audit & Counter Fraud.

The Council's Monitoring Officer is responsible under Section 5 of the Local Government and Housing Act 1989 to guard against, inter alia, illegality, impropriety, and maladministration in the Council's affairs.

Managers

All managers are responsible for:

- maintaining internal control systems and ensuring that the Council's resources and activities are properly applied in the manner intended,
- identifying the risks to which systems and procedures are exposed,
- developing and maintaining effective controls to prevent and detect fraud, and
- ensuring that controls are being complied with and their systems continue to operate effectively, and
- implementing new controls to reduce the risk of similar fraud occurring where frauds have taken place

Employees

Every member of staff is responsible for:

- His or her own conduct and for contributing towards the safeguarding of corporate standards (including declarations of interest, gifts and hospitality offered and received, private working, Whistleblowing, etc),
- Acting with propriety in the use of Council's resources and the handling and use of funds whether they are involved with cash, receipts, payments, or dealing with suppliers,
- Conducting themselves with selflessness, integrity, objectivity, accountability, openness, honesty, and leadership,
- Being alert to the possibility that unusual events or transactions could be indicators of fraud,
- Alerting their manager when they believe the opportunity for fraud exists e.g., because of poor procedures or lack of effective oversight,
- Reporting details immediately if they suspect that a fraud has been committed or see any suspicious acts or events, and
- Cooperating fully with whoever is conducting internal checks, reviews, or fraud investigations.

Any Manager with information about suspected fraud, bribery or corruption activity must report this immediately to the Head of Internal Audit & Counter Fraud. Managers are also responsible for:

- recording and securing all evidence received and collected,
- ensuring that evidence is sound and adequately supported, and
- implementing Council disciplinary procedures where appropriate.

Contractors, Suppliers and Consultants

Those organisations employed to work on behalf of the Council are expected to maintain strong counter fraud principles. The Council's contract partners will be expected to have adequate recruitment procedures and controls when they are administering finance on behalf of the Council.

The Council expects its partners to have adequate controls in place to minimise fraud and to provide access to their financial records as they relate to the Council's finances, and their staff will be required to assist fully in any investigation.

The Council will seek the strongest available sanctions against contractors that commit fraud against the Council or who commit fraud against public funds. The Council will request that the organisation takes necessary action against the individual and the Council will require them to be removed from its account.

Internal Audit & Counter Fraud

The Council's Internal Audit function has the responsibility to objectively examine, evaluate and report on the adequacy of the control environment by evaluating its effectiveness in achieving the organisation's objectives. This work includes the review of the existence and effectiveness of the Council's internal control arrangements.

Any review work undertaken by the internal audit function will give due consideration to the risk of fraud or corruption within the area subject to audit and where necessary will make recommendations to put in place or improve the design of an effective control environment to prevent fraud, bribery, and corruption.

The council's Counter Fraud function is responsible for:

- acting as the Council's consultant on issues of fraud and corruption,
- completing assessments of the Council's fraud risks associated with each of the key organisational objectives,
- establishing an effective counter fraud response plan, in proportion to the level of fraud risk identified.
- undertaking proactive work to support management in strengthening fraud resilience,
- undertaking proactive work to identify fraud committed against the Council,
- ensuring that appropriate counter fraud training is made available to Members, Directors and staff as required,
- ensuring that appropriate action is taken to minimise the risk of identified frauds occurring again in the future.
- establishing appropriate mechanisms for:
 - reporting fraud risk issues
 - reporting suspicions of fraud or corruption, and
 - reporting significant incidents of fraud or attempted fraud to the Chief Executive;
- the investigation of allegations and suspicions of internal fraud or corruption, including advising and leading the Council, in conjunction with Human Resources (HR) and Legal Services, with regard to prosecution, disciplinary, or alternative sanctions, and
- the investigation of allegations and suspicions of fraud perpetrated against the council by third parties, including advising and leading the Council, in conjunction with Legal Services, with regard to prosecution or alternative sanctions.

Conclusions to all investigations will be based on fact, allowing management to take forward any required disciplinary and/or criminal proceedings as they determine appropriate.

Once an investigation is completed the Counter Fraud function may have responsibilities in relation to:

- recommending improvements to systems,
- attendance at disciplinary hearings and tribunals,
- attendance at Court as a witness, and
- reporting to the Finance & Audit Committee.

External Audit

As part of its statutory duties, the External Auditor has specific responsibilities for:

- reviewing the stewardship of public money,
- considering whether the Council has adequate arrangements in place to prevent fraud and corruption.

The External Auditor also has powers to independently investigate fraud and corruption.

Elected Members

Each elected member of the Council is responsible for:

- His/her own conduct and for contributing towards the safeguarding of corporate standards (including declarations of interest, gifts and hospitality offered and received, Whistleblowing, etc);
- Contributing towards the safeguarding of corporate standards by compliance with the Members Code of Conduct.

Members of the Finance & Audit Committee will also have responsibility for oversight of the councils Audit & Counter Fraud Service and will receive regular reports detailing (but not limited to):

- the performance of the service,
- the findings and recommendations resulting from completed assurance reviews,
- progress in relation to key activities, such as participation in NFI, and
- the results of identified fraud cases, including the value involved in proven offences and details of actions taken.

7. Detection

The Council has put in place a range of internal control arrangements within its systems and processes to detect inappropriate or dishonest activity, including budget monitoring and reconciliations. These arrangements should be sufficient in themselves to detect fraud, corruption and bribery activity should this occur. The Council recognises, however, that the detection of such activity is often as a result of the alertness of employees, Members, the general public and other stakeholders.

Employees at all levels are expected, and positively encouraged to raise any concerns relating to fraud and corruption which they become aware of. Such concerns should be reported to the Internal Audit & Counter Fraud Service or through the Council's Whistleblowing Policy. If the issues are of a serious or sensitive nature or involve management concerns, they should be reported directly to Head of Audit & Counter Fraud or the Council's Monitoring Officer (Legal Services).

The Council's Financial Procedure Rules require all employees to immediately notify the Director (Corporate Services) of any financial irregularity or suspected financial irregularity.

The Council recognises that on occasions, employees, Members, and organisations working with the Council may not want to express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Council. They may also fear harassment or victimisation. In these circumstances it may be easier to ignore the concern rather than report what may just be a suspicion of malpractice. In such instances, persons are urged to report concerns or suspicions through the channels set out in the Council's Whistleblowing Policy.

Whichever route is chosen, the employee can be assured that concerns raised in good faith will be passed to the Audit & Counter Fraud Service, who will make independent preliminary enquiries and determine whether there are grounds for an investigation. Where appropriate, concerns will be fully investigated and, wherever possible, those raising concerns will be dealt with in confidence.

Members of the public and stakeholders are encouraged to come forward and report any concerns or suspicions they may have, which may relate to fraud being committed within or against the council. Such concerns should be directed to the council's Audit & Counter Fraud team; either:

- through the Council website, where further information can be found in relation to the common areas of fraud and an online reporting form is available,
- via email* to fraud@gravesham.gov.uk, or
- via the Fraud Hotline - 01634 33 22 33 (Shared Service with Medway Council)

*Contact details and names associated with any allegations received via email will be treated as anonymous at the request of the sender and will not be shared outside of the Audit & Counter Fraud service.

8. Investigation

The Council has established a corporate approach to co-ordinate the investigation of allegations of fraud and corruption to ensure the effective use of the skills and resources within the organisation. Responsibility for investigating suspected fraud and corruption against the Council rests with the Audit & Counter Fraud Service. This is to ensure that the investigation is performed only by properly trained officers in accordance with the appropriate legislation, including (but not limited to):

- Criminal Procedures and Investigations Act (CPIA) 1996,
- Data Protection Act 2018,
- Human Rights Act 1998,
- Police and Criminal Evidence Act (PACE) 1984,
- Proceeds of Crime Act 2002, and
- Regulation of Investigatory Powers Act (RIPA) 2000
- Corruption Act 1906,
- Fraud Act 2006,
- Prevention of Social Housing Fraud Act 2013,
- Local Government Finance Act 1992,
- The Council Tax (Administration and Enforcement) Regulations 1992,
- Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013

All referrals will initially be risk assessed and the Audit & Counter Fraud Service will ensure the following objectives are met:

- where it is deemed appropriate, investigations are undertaken fairly, objectively and in accordance with relevant laws and regulations, to avoid jeopardising the outcome on legal and procedural technicalities,
- to protect the evidence,
- to prove or disprove the original suspicions of fraud,
- if proven, to support the findings by producing effective evidence,
- to present evidence in an appropriate format accepted by the Crown Prosecution Service or the appropriate disciplining service, and
- to apply appropriate sanctions and redress against those individuals and organisations that seek to defraud, and
- identify any improvements in internal control, training needs or other suitable solutions to prevent or deter the reported activity from recurring

Where it appears that a criminal offence may have been committed, the Council's presumption is that the issue will be pursued. The Council may decide to refer the matter to the police or instead use powers under Section 222 of the Local Government Act 1972 which enables local authorities, where they consider it "expedient for the promotion or protection of the interests of the inhabitants of their area to;

- (a) Prosecute or defend or appear in legal proceedings and, in the case of civil proceedings, institute them in their own name, and
- (b) In their own name, make representations in the interest of the inhabitants at any public enquiry held by or on behalf of any Minister or public body under any enactment".

When deciding to prosecute a matter in their name the Council will take consideration of the Code of Crown Prosecutors. A copy of the most current version of the Code can be found at www.cps.gov.uk

The council will seek, where appropriate, to maximize the recovery of any losses connected to acts of fraud and corruption.

The Council has in place disciplinary procedures which must be followed whenever staff are suspected of committing a fraudulent or corrupt act. Any decision to take action beyond the Council's disciplinary procedures will only be progressed with the agreement of the Chief Executive and Director (Corporate Services), and any such decision will not be seen to prohibit and should not unnecessarily delay action under the Council's disciplinary procedure.

The investigation process must not be misused. The council will treat any reporting of unfounded malicious allegations seriously. Where employees are concerned, any such finding from the investigation process may be treated as a disciplinary matter.

9. Deter

The council will make employees, Members, the general public and stakeholders aware of the Council's commitment to taking action where fraud and corruption occurs and will take all appropriate steps to deter further attempts of fraud or corruption by demonstrating the seriousness with which the Council views such cases.

Such activity will include:

- publicising details of counter fraud activity, including the update of this strategy,
- reporting the results of investigative activity to:
 - the councils Management Team, and
 - Members of the Finance & audit Committee
- applying appropriate sanctions where fraud or corruption is proven,
- publicising details of successful convictions on the council's website, social media pages and via press release to the local media,

The Council's Communications Team is responsible for optimising the opportunities available to publicise to the public any counter fraud, bribery, and corruption activity being undertaken within the Council.

10. Measuring the effectiveness of this strategy

The Council has recognised the importance of measuring the effectiveness of its counter fraud, bribery, and corruption arrangements and that this cannot consist of one single measure. Members of the Finance & Audit Committee will be presented with regular reports focusing on the outcomes of activities under this strategy.

This Strategy will be reviewed at least annually and updated, where necessary, to keep pace with future developments in preventative, deterrent, and detection techniques regarding fraudulent or corruption activity.

Any material amendment to this strategy will require the approval of the Cabinet.

Classification: Public

Key Decision: No

Gravesham Borough Council

Report to: Cabinet

Date: 22 March 2021

Reporting officer: Assistant Director (Corporate Services)

Subject: Development of the Corporate Risk Register 2021-2022

Purpose and summary of report:

This report informs Cabinet of the outcomes from Gravesham Borough Council's annual risk identification and analysis exercise and presents a copy of the Corporate Risk Register for 2021-2022.

Recommendation:

Cabinet members are requested to approve the Corporate Risk Register that has been developed for 2021-2022, prior to it being presented to Council.

1. Introduction and Background

- 1.1 Gravesham Borough Council pursues a forward-looking and dynamic approach to delivering services to the local community and in doing so, the council is exposed to risk both in terms of threats and loss of opportunities. The council recognises that risks are inevitable and in practice, cannot be entirely avoided. Resultantly, the council will tolerate a certain degree of risk when pursuing objectives, executing strategies and delivering services.
- 1.2 Responsibility for risk management runs throughout the council and specific roles and responsibilities have been identified so that risk management is embedded in the culture of the council. Cabinet members have responsibility for approval of the Risk Management Strategy (if appropriate) and the annual Corporate Risk Register, within which all risks that have been identified are recorded.
- 1.3 During this last year additional risks and mitigations have come to the fore due to the impact of Covid-19 pandemic. It is recognised that this pandemic will continue to bring uncertainty over the coming years and poses on going risk to both long-term financial resilience and the delivery of services.

2. Risk Management Strategy 2021-2022

- 2.1 The Risk Management Strategy sets out the approach that has been adopted by the council for identifying, evaluating, managing and recording risks to which it is exposed. The primary intention of the strategy is to ensure that risk management is embedded into the daily operations of the council. The strategy recognises that good risk management will lead to good management, good performance, good stewardship of public money, good public engagement and ultimately, good outcomes for citizens and service users.
- 2.2 In March 2011, it was agreed by Cabinet that the Risk Management Strategy would be reviewed on an annual basis and, where necessary, presented to Cabinet for approval if it was subject to updates and amendments resulting in material changes to the strategy.
- 2.3 The Risk Management Strategy has been reviewed and there have been no updates or amendments made to it. The strategy will therefore not be presented for approval but is appended to the report for information (Appendix II).

3. Draft Corporate Risk Register 2021-2022

- 3.1 In preparing the draft copy of the Corporate Risk Register for 2021-2022, Management Team, Senior Officers and Members were contacted and requested to provide details of existing risks recorded in the 2020-2021 Corporate Risk Register that have continued to generate a high risk score and therefore will be carried forward. Existing risks included:
 - 1. Ongoing financial viability of the council.
 - 2. Changes in national priorities and legislation.
 - 3. Organisational capacity/resilience.
 - 4. Universal credit.
 - 5. Cyberattack resulting in data breach or corruption of data.
 - 6. Investment risk.
- 3.2 The same senior officers and members were asked to provide details of any new risks that have been identified and should be analysed and considered for inclusion in the 2021-2022 Corporate Risk Register. New risks that were identified included:
 - 1. Withdrawal of the United Kingdom from the European Union.
 - 2. Civil risk e.g. flooding, major disaster etc.
 - 3. Digital transformation and remote working.
- 3.3 The lasting effects of the Covid-19 pandemic remain unknown and cut across most areas of the council. Where applicable additional risks and their potential impact due to Covid-19 has been considered and incorporated into the Corporate Risk Framework.
- 3.4 A Risk Identification & Analysis Assessment can be found at Appendix III of this report. The document details all risks that have been considered when producing the draft 2021-2022 Corporate Risk Register.

- 3.5 All risks and the outcome of their assessment is summarised in the table and are plotted in the Heat Map below.

Table of Risks Assessed for consideration

Risk Ref	Risk Description	Inherent Risk	Residual Risk	Target Risk
1	On-going financial viability of the council	20	12	9
2	Changes in national priorities and legislation	20	15	12
3	Organisational capacity/resilience	20	15	12
4	Cyberattack resulting in data breach or corruption of data	16	12	9
5	Investment risk	15	10	9
6	Universal credit	15	6	9
7	Withdrawal of the United Kingdom from the European Union	6	6	6
8	Civil risk e.g. flooding, major disaster etc.	12	9	9
9	Digital transformation and remote working	4	2	2

Risk Heat Map (Residual Risk)

LIKELIHOOD	Very High	5			2,3	
	High	4			1,4	
	Medium	3		7	8	5
	Low	2		9	6	
	Very Low	1				
	High Risk		1	2	3	4
	Medium Risk		Negligible	Significant	Serious	Critical
	Low Risk		IMPACT			

- 3.6 The risks that have generated a “High Risk” score and are above the council’s strategic risk tolerance level can be seen coloured in red and these are included in the 2021-2022 Corporate Risk Register. These risks are listed below and a copy of the register can be found at Appendix IV.
1. On-going financial viability of the council.
 2. Changes in national priorities and legislation.
 3. Organisational capacity/resilience.
 4. Cyberattack resulting in data breach or corruption of data.
 5. Investment risk.
- 3.7 New risks; Withdrawal of the United Kingdom from the European Union, Civil risk e.g. flooding, major disaster etc. and Digital transformation and remote working, were assessed and generated medium and/or low scores. The existing Universal credit risk, generated a medium score following this year’s assessment, therefore these four risks have not been included in the Corporate Risk register, but will be managed at service level.
- 3.8 A draft copy of the Corporate Risk Register for 2021-2022 was presented and reviewed at the Finance & Audit Committee meeting held on the 9th March 2021.

4. On-going monitoring of the Corporate Risk Register

- 4.1 Progress made against the actions in relation to each risk recorded in the Corporate Risk Register will be monitored quarterly and progress information will be presented to the Finance & Audit Committee through a half yearly report.
- 4.2 On presentation of the report, Finance & Audit Committee will be responsible for ensuring that necessary action is being taken to mitigate risks and to make appropriate recommendations to Cabinet.

5. Background Papers

- 5.1 There are no background papers pertaining to this report.

IMPLICATIONS	APPENDIX 1
Legal	There is a specific risk within the Register which highlights the potential issues associated with proposed legislative changes that may affect the council moving forward. Senior Management are being kept up to date with legislative change to ensure that they are able to be fully aware of potential changes proposed to assess how these may affect the council.
Finance and Value for Money	There are no financial or value for money implications arising from the Corporate Risk Register itself. 'Ongoing financial viability of the Council' is one of the key corporate risks identified within the Corporate Risk register and a specific update against this risk is included within Appendix III.
Risk Assessment	The regular review of strategic risks facing the council aids the council in managing risk effectively as a contribution to effective strategic decision-making. It is important that the council's approach to risk is reviewed on a regular basis by both officers and Members to ensure new risks are identified and action being taken to mitigate existing risks is effective
Data Protection Impact Assessment	<i>A data protection impact assessment (DPIA) should be carried out at the start of any major project involving the use of personal data or if you are making a significant change to an existing process.</i>
	a. Does the project/change being recommended through this paper involve the processing of personal data or special category data or criminal offence data ? A definition of each type of data can be found on the Information Commissioner's Office website via the above links. No
	b. If yes to question a, have you completed and attached a DPIA including Data Protection Officer advice? N/A
Equality Impact Assessment	c. If no to question b, please seek advice from your nominated DPIA assessor or the Information Governance Team at gdpr@medway.gov.uk . N/A a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? If yes, please explain answer. No

	b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? If yes, please explain answer. No <i>In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above</i>
Corporate Plan	The council's arrangement to identify, assess and monitor strategic risks contribute to the delivery of Corporate Plan Objective #3: Progress: an entrepreneurial authority; commercial in outlook and committed to continuous service improvement, underpinned by a skilled workforce and strong governance environment.
Climate Change	N/A
Crime and Disorder	The risk of Crime and Disorder is considered in the annual review and development of the Corporate Risk Register.
Digital and website implications	N/A
Safeguarding children and vulnerable adults	N/A

**Risk Management Strategy
2021-2022**

**Gravesham Borough Council
Risk Management Strategy
2021-2022**

Introduction

- 1.1** Gravesham Borough Council pursues a forward-looking and dynamic approach to delivering services to the local community, in doing so the authority is exposed to risk both in terms of threats and loss of opportunities. (The table in Appendix I provides a brief outline of the major elements of risk to which Gravesham Borough Council could potentially be exposed). The authority recognises that risks are inevitable and, in practice, cannot be entirely avoided; therefore the council will tolerate a certain degree of risk when pursuing objectives, executing strategies and delivering services.
- 1.2** The council will consider risk in most of its activities and decisions. Reports to the council's Management Team and Members require risks associated with the decision being taken to be considered. The council's project management approach also recognises the need to identify, manage and monitor risks as a contributing factor to effective project management.
- 1.3** To ensure the council's risk appetite remains reasonable and does not exceed acceptable levels the authority has adopted a prudential approach to risk taking, whereby decisions are made within the parameters of the council's internal control arrangements as set out within the constitution. In addition, to help drive continuous improvement and promote good risk management practices, a Risk Management Strategy has been developed which supports the following key systems:
- Corporate governance.
 - Community focus.
 - Structures and processes.
 - Service delivery arrangements.
 - Use of resources.
 - Standards of conduct.

2. The aims & objectives of the Risk Management Strategy

2.1 The purpose of the risk management strategy is to embed risk management into the daily operations of the council. Good risk management will lead to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes for citizens and service users.

2.2 The aim of the Risk Management Strategy is to:

- Ensure the security of Council assets.
- Ensure the safety and well-being of Members, employees and service users.
- Safeguard the reputation and image of the organisation.
- Prevent litigation and criminal prosecution.
- Prevent corruption, fraud and financial losses.
- Minimize the overall cost of risk to the organisation.
- Protect the quality of service delivered.
- Manage organisational, political and technological changes.
- Ensure the integrity of the organisation.
- Ensure sound ethical conduct and probity.

2.3 The objectives of the Risk Management Strategy is to ensure officers and Members to:

- Adopt a logical and systematic approach to identifying, analysing, evaluating, treating, and monitoring and reporting all risks, associated with any activity, objective, function or process within which they become involved.
- Evaluate the consequence and likelihood of risks to measure their severity.
- Utilise the Risk Management Process and structure to minimise losses and maximise opportunities.
- Manage to a reasonable level, all types of risk to which the organisation is exposed including Environmental, Financial, Strategic and Operational.
- Be actively involved in using the risk management process to evaluate risks associated with Corporate and Service objectives including risks involved in failing to achieve these objectives.
- Maintain at all times safe, places of work, systems of work, equipment, materials for work, together with a safe and healthy working environment.
- Keep all work activities under review by carrying out regular risk assessments, internal and external audits so as to identify all matters likely to affect the safety of members, employees, service users, Partners, visitors and others, as well as the effective and efficient running of organisational processes.
- Participate with other bodies including the Council's insurers to develop and share risk management best practice.
- Implement policies, procedures, preventative and protective measures information and training for employees and others based on the outcome of such risk assessments / audits, as are necessary to adequately control risk.

3. The importance of Good Risk Management?

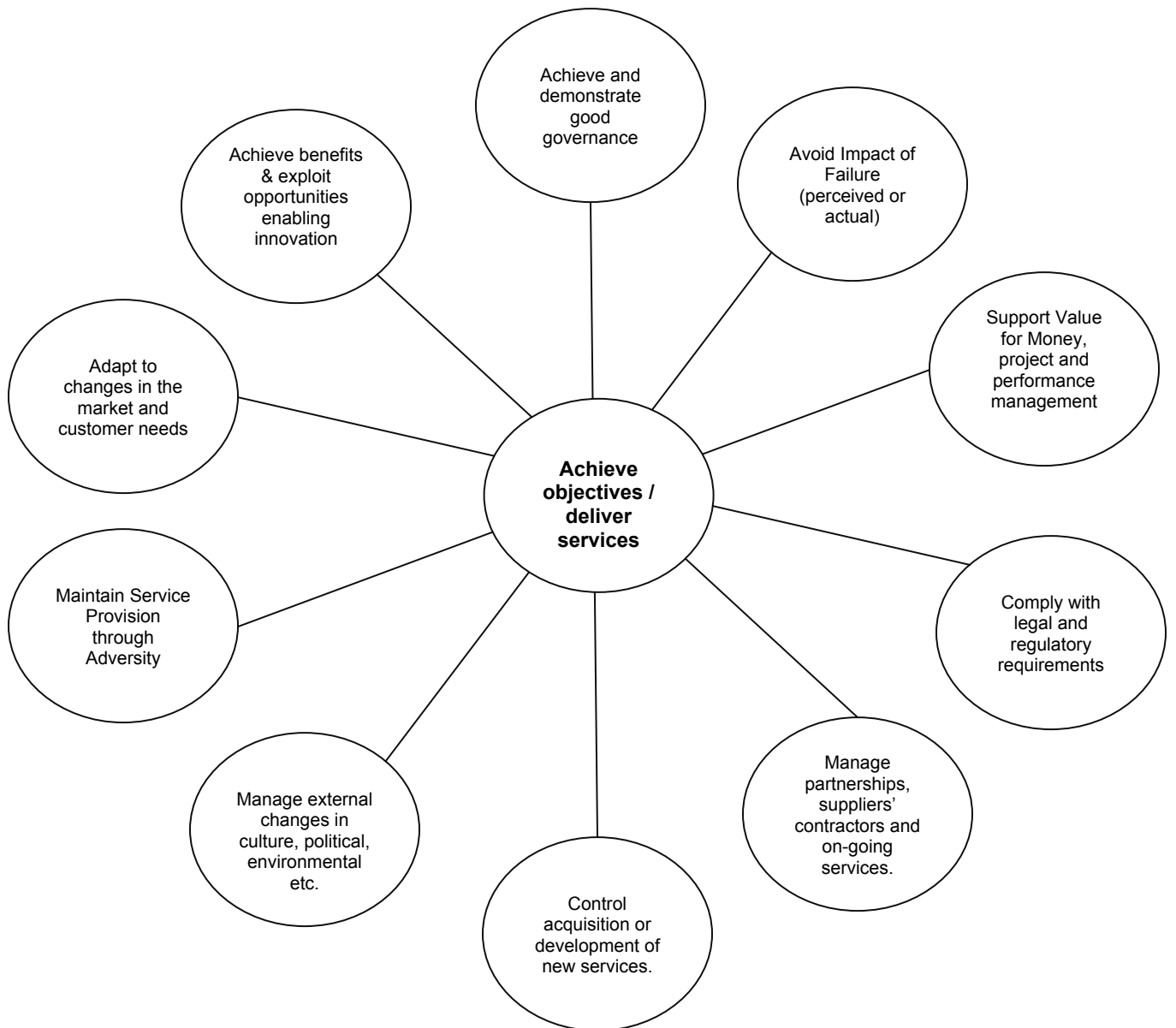
3.1 Risk management is considered the central part of an organisations strategic management. A robust risk management process can help create a culture of “no surprises” by enabling risks attaching to an organisation’s activities to be proactively identified, evaluated and appropriately treated thereby increasing the probability of success, and reducing both the probability of failure and the uncertainty of achieving objectives. The benefits of good risk management can be seen in illustration I.

3.2 A robust risk management process will help raise awareness and understanding of:

- The nature and extent of the risks facing the organisation.
- The extent and categories of risks that are regarded as acceptable.
- The likelihood and potential impact of risks materialising.
- The ability to reduce the incidence of impact on the organisation of risks that do materialise.
- The significance of regular and on-going monitoring and reporting of risks including implementation of early warning mechanisms.
- The cost of operating particular controls relative to the benefit obtained in managing related risks.
- The importance of conducting, an annual review of the internal control systems that are in place.
- The results that are reported from the annual review as well as the explanation of actions to be taken to address any significant concerns identified.

Illustration I

The Benefits of Good Risk Management



4. The Risk Management Process

4.1 An annual strategic risk management exercise to identify, analyse and prioritise risks that may affect the ability of the council to achieve its objectives is conducted by the authority. There are a number of critical steps that are taken during the risk management exercise and these are as follows:

4.2 Identifying risks

Potential risks that may arise are identified by Members, Management Team, Wider Management Team and Service Managers, so that informed decisions can be made about policies and/or service delivery methods. They may be general, relating to the environment within which the council operates, or specific, relating to a key area of service delivery.

4.3 Analysing risks

Available data is used to provide information to help assess the **likelihood** of any risk arising or the potential **impact** on the councils activities. The council has introduced a risk matrix which is a numerical scoring system for analysing risks that have been identified by the council: (The risk matrix can be seen at Appendix II).

4.4 Profiling risks

Risks are profiled according to their likelihood and severity as follows:

High risk	A total risk scoring 10 or above (red).
Medium risk	A total risk scoring between 5 and 9 (amber).
Low risk	A total risk scoring 4 or below (green).

4.5 Prioritising risks

Risks are prioritised based on the how the council decides to approach each risk. Control action is then determined based on tolerance and aversion to risk balanced against the availability of resources.

4.6 Determining actions on risk

A course of action can then be determined based on whether the risk is to be Transferred, Tolerated, Treated or Terminated.

4.7 Controlling risk

Once appropriate action is determined for each risk, the process of controlling that risk commences. This involves either Treating/Terminating/Tolerating or Transferring the risk and/or alleviating its potential impact.

4.8 Monitoring and progress reporting

Once risks have been identified, evaluated, their control action agreed and implemented, risks must be monitored and their progress should be formally reported so that:

- The adequacy of control actions that have been implemented can be reviewed.
- Changes in the severity of risks can be promptly identified and reported.
- Additional action to further control escalating risks can be promptly undertaken.
- Actions being carried out to control risks in respect of strategies that have been executed, or objective's that have been met can be terminated.
- Lessons can be learned for future risk assessments and decision making.

4.9 Recording Risks

All risks identified during the risk management process are recorded in either the **Corporate Risk Register**; and or individual **Service Risk Registers**. The purpose of risk registers is to document:

- Details of each risk, their severity and the monitoring and control actions that have been agreed to control each risk.
- Details of person(s) who are responsible for monitoring and controlling risks and reporting on their progress.
- Details of whether or not agreed controls are effectively managing risks.
- Details of what additional control actions are necessary to ensure intended actions are being achieved.
- Details of any new and emerging risks.

5. The roles and responsibilities of various key individuals and groups in relation to risk management

5.1 Responsibility for risk management runs throughout the council. Specific roles and responsibilities have been identified so that risk management is embedded in the culture of the council. (Table (i) in Appendix III shows the roles and responsibilities of various key individuals and groups in relation to risk management and Table (ii) shows the annual risk reporting programme).

6. Links to Governance issues

6.1 The following governance arrangements have been identified as having links to the councils Risk Management Strategy:

6.2 Controls

To ensure departments operate in an efficient and effective manner Service Managers are responsible for ensuring appropriate processes and procedures that incorporate adequate controls exist and are followed thereby enable the authority to;

- Comply with statutory and management requirements.
- Safeguard assets.
- Maintain accurate and secure records.
- Identify and correct any errors, omissions or oversights.

6.3 Systems of internal control

The council as a whole operates within a framework of policies and procedures intended to direct the activity of the council and ensure transparency in decision making. The Constitution forms the main spine of these arrangements and includes the council's financial procedure rules and contract procedure rules. Responsible officers are expected to ensure that effective internal control arrangements are incorporated into the design or development of systems and procedures. Such arrangements would include ensuring adequate segregation of duties, authorisation and physical security controls to protect the council from error, misappropriation or loss.

Compliance with internal controls is reviewed by the council's Internal Audit function. Internal Audit is an independent, objective assurance and consulting function designed to add value and improve an organisation's operations. It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

6.4 Control environment

The councils control environment comprises of its system of governance, risk management process and system of internal control these systems are designed to ensure:

- Risk management is embedded into the activity of the organisation.
- Achievement of the organisations objectives is established and monitored.
- Compliance with established policies, procedures, laws and regulations.
- Staff are trained and equipped to manage risk in a way appropriate to their authority.
- Resources are used economically effectively and efficiently to facilitate continuous improvement.
- Finances are prudently managed and reported.
- Performance is effectively managed and reported.

All managers are responsible for ensuring the councils objectives are delivered with proper controls in place and through the effective and efficient use of resources thereby providing value for money. Controls are reported through the Annual Governance Statement, to ensure that systems are delivering consistent, predictable and effective results in or to meet service or corporate objectives.

6.5 Data Quality

The councils approach to delivering and improving data quality across the whole

authority is outlined in the **Data Quality Policy**. The policy demonstrates the council's commitment to ensuring that all information retained or provided by the council is accurate, reliable and fit for purpose.

6.6 Anti-Fraud and Corruption

The councils approach to all forms of fraud and corruption is detailed in the **Anti-Fraud & Corruption Strategy**. The strategy is designed to:

- Encourage prevention.
- Promote detection.
- Support investigation of fraud, bribery and corruption.

6.7 Whistleblowing

The councils Whistleblowing Policy aims to ensure openness, probity and accountability by encouraging Officers and others, who have serious concerns about any aspect of the council's work, to come forward and voice their concerns within the council, without fear of reprisals, rather than overlooking a problem or "blowing the whistle" outside.

6.8 Money Laundering

In order to prevent the use of council services and personnel for money laundering, the council has developed an **Anti-Money Laundering Policy** that sets out internal procedures to ensure:

- Potential areas where money laundering may occur are identified.
- All legal and regulatory requirements are complied with.
- Actual or suspected cases of money laundering activity are appropriately reported.

6.9 Business Continuity Management

Service Managers are responsible for documenting Business Continuity Plans relevant to their service areas, so that critical functions and services can continue to be provided and there is effective recovery in the event of and following a disruption or catastrophic event.

Appendix I

The two categories in which the range of risks facing Gravesham Borough Council can be placed into is **Strategic Risks** and **Operational Risks**. The table below provides a brief outline of the major elements of risk facing Gravesham Borough Council) under both categories.

Strategic Risks	Operational Risks
Political Risks: arising from changes in political control or significant policy changes at a national or local level.	Professional Risks: associated with the professional competence of Officers employed by the authority.
Economic Risks: arising from changes in the economic climate.	Financial Risk: associated with inadequate financial planning resulting in lack of funding.
Social Risks: arising from unanticipated effects of changes in demographic, residential or social trends.	Contractual Risks: arising from the failure of contractors to deliver services to an agreed cost and quality specification.
Technology Risks: arising from unanticipated technological changes that might render significant investments obsolete or undermine key assumptions.	Technological Risks: arising from over-reliance on IT and other operational equipment.
Legislative Risks: arising from legislative change at by Central Government placing significant new obligations on the authority.	Legal Risks: arising from breaches of legislation.
Environmental Risks: arising from unexpected adverse environmental impacts on the council's delivery of services.	Environmental Risks: arising from pollution, noise or the energy efficiency of on-going service operations.
Customer/Citizen Risks: arising from unexpected changes in the needs and expectations of the public.	Partnership Risks: where projects or activities are at risk of not being delivered effectively to cost or on time because of the complexity of partnership working or failure of a partner in some aspects of delivery.
	Reputational Risks: threat to the organisation's reputation and public perception of service including its efficiency and effectiveness.
	Physical Risks: fire hazards, lack of security, inadequate health and safety measures, etc.

Appendix II

The Risk Matrix

LIKELIHOOD	Very High	5	5	10	15	20
	High	4	4	8	12	16
	Medium	3	3	6	9	12
	Low	2	2	4	6	8
	Very Low	1	1	2	3	4
	High Risk		1	2	3	4
	Medium Risk		Negligible	Significant	Serious	Critical
	Low Risk					
	IMPACT					

Guidance used for assessing Likelihood and Impact

Appendix II

Likelihood:

Rating	Score	
Very High	5	On the evidence and knowledge of officers and members it is almost certain that this issue will occur sometime within the next year. The issue may have already occurred in previous years either at the council or elsewhere.
High	4	On the evidence and knowledge of officers and members it is very likely that this issue or event will occur in the coming year.
Medium	3	On the evidence and knowledge of officers and members the issue is more likely to occur than not in the coming year.
Low	2	On the evidence and knowledge of officers and members it is unlikely that this event will occur in the coming year. Occurrences of this risk have occurred in the past but occurrences are very few and far between.
Very Low	1	On the evidence and knowledge of officers and members it is unlikely that this event would occur in either the coming year or in future years.

Impact:

Rating	Score	
Critical	4	The impact that the occurrence of this risk would have on the authority would threaten the council's financial stability. The delivery of service to the public could be affected either permanently or for a long duration and the council would be unable to achieve its key objectives. There would be a seriously damaging impact on the council's reputation through poor media coverage.
Serious	3	The financial impact on the authority would be serious although would not threaten the stability of the council's financial position. Services would experience disruption with the delivery of services being affected for a number of days. Whilst the council's objectives would be met there would be significant delays in achieving them. The council would endure poor media coverage for a period of time affecting the council's reputation which would take some time to recover from.
Significant	2	There would be a financial impact on the authority however this would be manageable within the council's existing financial resources. There may be disruption to services and possibly delays in achieving the council's objectives. There may be poor media coverage which could affect the council in the long term.
Negligible	1	There is little or no financial impact of the risk to the authority. There would be no disruption to the delivery of the council's key objectives or frontline services. It is unlikely that this risk will impact on the council's reputation.

The roles and responsibilities of various key individuals and groups in relation to risk management

Appendix III

Table (i)	Cabinet & Members	Finance & Audit Committee	Management Team	Service Managers	Support Services	Service Providers
Risk Management Framework	Review of the Risk Management Framework on an annual basis.	Provide independent assurance on the adequacy of the Risk Management Framework.	Determine & agree Risk Management Framework.		Provide advice & support.	
Risk Management Strategy	Review the Risk Management Strategy on an annual basis.	Review Risk Management Strategy prior to Cabinet approval.	Determine & agree Risk Management Strategy.		Provide advice & support.	
Corporate Risk Register	Determine & agree risks for inclusion in Corporate Risk Register. Carry out annual review of the Corporate Risk Register.	Identify risks for inclusion in Corporate Risk Register. Review Corporate Risk Register prior to Cabinet approval.	Determine & agree risks for inclusion in Corporate Risk Register.	Identify risks for inclusion in Corporate Risk Register.	Provide advice & support.	
Service Risk Registers			Agree risks for inclusion in Service Risk Registers. Carry out annual review of Service Risk Registers.	Determine risks for inclusion in Service Risk Registers.	Provide advice & support.	

The roles and responsibilities of various key individuals and groups in relation to risk management

Appendix III

Table (i)	Cabinet & Members	Finance & Audit Committee	Management Team	Service Managers	Support Services	Service Providers
Step 1 Risk Identification	Identify strategic risks.	Discuss possible risks for inclusion in the revised risk register.	Identify strategic & cross service risks.	Identify strategic & service risks.	Provide advice & support.	Maintain awareness of risks & feeding these into the formal processes.
Step 2 Risk Analysis	Analyse likelihood & impact of strategic risks.		Analyse likelihood & impact of strategic & cross service risks.	Analyse strategic & service risks.	Provide advice & support. Responsible for core functions of risk management.	Maintain awareness of the impact & cost of risks & feeding information & data into the formal processes.
Step 3 Risk Profiling	Profile strategic risks.		Profile strategic & cross service risks.	Profile strategic & service risks.	Provide advice & support.	
Step 4 Risk Prioritisation	Prioritising strategic risks.		Prioritise strategic & cross service risks.	Prioritise strategic & service risks.	Provide advice & support.	

The roles and responsibilities of various key individuals and groups in relation to risk management

Appendix III

Table (i)	Cabinet & Members	Finance & Audit Committee	Management Team	Service Managers	Support Services	Service Providers
Step 5 Determining risk management Actions	Determine actions to transfer, tolerate, treat or terminate strategic risks.		Determine actions to transfer, tolerate, treat or terminate strategic & cross service risks.	Determine action on Strategic and service risks. Delegate responsibility for control. Ensure adequate service continuity plans are in place.	Provide advice & support.	
Step 6 Risk Control	Determine control actions.		Control risks by delegating responsibility.	Control Risks including those delegated by Management Team.	Provide advice & support, & control specific risk areas.	Control risk in their jobs.
Step 7 Monitoring & Progress/ Performance Reporting		Monitor the effective development & operation of risk management in the authority.	Monitor progress on managing strategic & cross-business risks & review the implementation of the Risk Management Framework, Risk Management Strategy & Risk Management Process.	Monitor progress on managing risks. Report to the departmental management team.	Provide advice & support.	Monitor progress on managing job related risks. Report to the Service Manager.

Appendix IV

The annual risk management reporting programme 2021-2022

Table (ii)

January 2021	Management Team to discuss and review the Risks identified and included in the draft version of the Corporate Risk Register for 2021-2022.
15 February 2021	Finance & Audit Committee presented with the draft version of the 2021-2022 Risk Management Strategy and Corporate Risk Register. Copy to be sent to Corporate Performance Team .
March 2021	Draft version of the 2021-2022 Risk Management Strategy (if necessary) and Corporate Risk Register presented at Chief Executive Briefing for review.
22 March 2021	Cabinet presented with the final version of the 2021-2022 Risk Management Strategy and Corporate Risk Register.
13 April 2021	Council presented with Annual Report on Strategic Risk Management (including Risk Management Strategy).
September 2021	Senior Officers are contacted and requested to provide progress information relating to risks recorded in the 2021-22 Corporate Risk Register.
November 2021	Finance & Audit Committee presented with mid-year risk report. F&A are required to review and discuss progress information and consider any new risks that have been identified for inclusion in the - 2021-2022 Corporate Risk Register.
December 2021	Senior Officers requested to carry out risk identification exercise and consider control actions to be implemented to manage identified risks. Development of the draft version of the Corporate Risk Register for 2022-2023 commences.

Corporate Risk Register 2021-2022
Analysis of Risks

Gravesham Borough Council's Corporate Risk Register is the result of an annual strategic risk management exercise that is conducted to identify, analyse and prioritise those risks that may affect the ability of the council to achieve its corporate objectives. Finance & Audit Committee have responsibility for monitoring the effective development and operation of risk management within the council and reviewing the Corporate Risk Register prior to its submission to Cabinet for approval. This document should be read in conjunction with the report in which the outcomes from the annual risk identification exercise are presented. The following matrix is utilised when assessing whether a risk is a high, medium or low risk for the council to help determine which risks should be included in the Corporate Risk Register and which risks should be managed at departmental level:

The Risk Matrix

LIKELIHOOD	Very High	5	5	10	15	20
	High	4	4	8	12	16
	Medium	3	3	6	9	12
	Low	2	2	4	6	8
	Very Low	1	1	2	3	4
	High Risk		1	2	3	4
	Medium Risk		Negligible	Significant	Serious	Critical
	Low Risk					
	IMPACT					

The Corporate Risks that have been assessed for 2021-2022 are:

1. On-going financial viability of the Council
2. Changes in national priorities and legislation
3. Organisational capacity/ resilience
4. Cyberattack resulting in data breach or corruption of data
5. Investment risk
6. Universal credit
7. Withdrawal of the United Kingdom from the European Union
8. Civil risk e.g. flooding, major disaster etc.
9. Digital transformation and remote working.

Likelihood		
Rating	Score	
Very High	5	On the evidence and knowledge of officers and members it is almost certain that this issue will occur sometime within the next year. The issue may have already occurred in previous years either at the council or elsewhere.
High	4	On the evidence and knowledge of officers and members it is very likely that this issue or event will occur in the coming year.
Medium	3	On the evidence and knowledge of officers and members the issue is more likely to occur than not in the coming year.
Low	2	On the evidence and knowledge of officers and members it is unlikely that this event will occur in the coming year. Occurrences of this risk have occurred in the past but occurrences are very few and far between.
Very Low	1	On the evidence and knowledge that this event would occur in either the coming year or in future years.
Impact		
Rating	Score	
Critical	4	The financial impact on the authority would critically threaten the council's financial stability. The delivery of service to the public could be affected either permanently or for a long duration and the council could not achieve its key objectives. There would be a seriously damaging impact on the council's reputation through poor media coverage.
Serious	3	The financial impact on the authority would be serious although would not threaten the stability of the council's financial position. Services would experience disruption with the delivery of services being affected for a number of days. Whilst the council's objectives would be met there would be significant delays in achieving them. The council would endure poor media coverage for a period of time affecting the council's reputation which would take some time to recover from.
Significant	2	There would be a financial impact on the authority however this would be manageable within the council's existing financial resources. There may be disruption to services and possibly delays in achieving the council's objectives. There may be poor media coverage which could affect the council in the long term.
Negligible	1	There is little or no financial impact of the risk to the authority. There would be no disruption to the delivery of the council's key objectives or frontline services. It is unlikely that this risk will impact on the council's reputation.

Corporate Risk Register 2021-2022
Analysis of Risks

Risk 1: On-going financial viability of the council	Owner: Director (Corporate Services)
Risk Background: Over the last decade Gravesham Borough Council, along with the rest of local government, has experienced significant and sustained cuts to its funding whilst demand on services has risen. The Council proactively responded to these financial challenges by implementing a programme of activity designed to increase income and reduce expenditure, successfully delivering £4.25m of base budget reduction by 2020. New financial challenges have arisen due to the COVID-19 pandemic. The Council has experienced immediate losses in-year against collection against key income lines such as council tax, business rates, car parking and investment income. These income lines are likely to take a period of time to recover and, in some instances, may take a significant time to recover to pre-COVID levels. There also remains great uncertainty around the way in which local government will be funded in the future; many central government funding announcements have been put on hold this year due to parliamentary and government departmental time being diverted to responding to the COVID-19 pandemic and the end of the transition period of the UK leaving the EU. Local government finds itself once again being issued with a single year settlement, with no certainty of the mechanism by which local government will be funded in future years, making longer term planning extremely challenging.	Consequences: • Inability to plan effectively due to the lack of clarity around the future level of government funding support and how the business rates retention scheme will operate in practice. • Potential for MHCLG to reduce the total funding available to the council (including retained business rates) beyond the levels projected in the MTFP to support other departmental funding pressures. • Council exposed to increased financial risk and volatility from changes to funding and any redesigned business rates scheme. • Unplanned cuts in services needed and/or drop in quality of delivery, potentially leading to damage to Council's reputation. • Financial savings not achieved. • Budgets exceeded and/or reserves depleted. • Problems stored up for the future. • Minimum working balance of £2 million is not maintained. • New legislative requirements not met. • Uncertainty over future large projects. • Potential for infrastructure to deteriorate. • Potential for the introduction of further statutory discounts for Business Rates payers without compensation from central government.

INHERENT RISK SCORE						RESIDUAL RISK SCORE					
Likelihood	5	Impact	4	Score	20	Likelihood	4	Impact	3	Score	12

Existing Controls	Additional Actions required to further mitigate risk	Lead Officer(s)	Target Date
1.1 Medium Term Financial Strategy in place	Continue to review reserves and working balance annually to assess financial sustainability and appropriateness of working balances and reserves as a means to manage cash flow, future requirements and unexpected events. Continue the council's financial strategy objectives and the core principles that underpin these. Development of a new Medium Term Financial Strategy for the council once the outcomes of the Fair Funding Review, Retained Business Rates Scheme design and other local government funding reform are known.	Director (Corporate Services) Assistant Director (Corporate Services)	February 2022
1.2 Medium Term Financial Plan in place	Continued maintenance of the Medium Term Financial Plan. Modelling of the effects of the Fair Funding review, Retained Business Rates Retention Scheme and other local government funding reform once known.	Director (Corporate Services) Assistant Director (Corporate Services)	Ongoing to March 2022
1.3 Budget Monitoring Process	Continue the programme of development for the council's Financial Management System. Ensure adequate compliance with budget monitoring arrangements. Continue to proactively respond to central government consultations on funding for local government.	Assistant Director (Corporate Services)	Ongoing to March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Risk 2: Changes in national priorities and legislation						Owners: Chief Executive and Management Team					
Risk Background: Good governance requires that the council is fully informed of legislation, national priorities including Nationally Significant Infrastructure Projects (NSIP) to ensure that it is best placed to respond to any implications for its operations or the Borough more widely. The last year has created new challenges in responding to the council in responding to government policy announcements, particularly at short notice as Central Government led the national response to the COVID-19 pandemic. As the country enters the recovery phase, further policy guidance and legislation is expected from this, in addition to legislative changes to respond to the end of the transition period of the UK exiting the EU. On enactment of relevant legislation, the council will potentially face new statutory duties, responsibilities or standards with which to adhere, potentially challenging existing services and working practices. In respect of NSIP, current proposals that are being progressed include: • Lower Thames Crossing (in Gravesham) • Thurrock Flexible Generation Plant (Tilbury) • London Resort (in Dartford/Gravesham) The council will need to ensure it has access to sufficient and appropriate resources to enable it to effectively respond to these proposals as further information is released.						Consequences: • Change of strategic direction for the council. • Breakdown in governance controls and processes. • New legislative and regulatory duties not met and the potential for legal challenge. • Severe financial position, challenging the council’s ability to deliver the corporate objectives and policy commitments within the Corporate Plan. • Logistical challenges to the delivery of council services and effectiveness of the council’s supply chain. • Sustained levels of service underperformance, resulting in a failure to meet community needs and expectations. • Additional costs/workload pressures for staff impacting morale, sickness absence and future recruitment and retention. • Increased scrutiny from Members, agencies, media and community stakeholders / reputational damage. • The council may need to redirect resources to enable responses to consultations and other processes quickly.					
INHERENT RISK SCORE			RESIDUAL RISK SCORE								
Likelihood	5	Impact	4	Score	20	Likelihood	5	Impact	3	Score	15

Existing Controls	Additional Actions required to further mitigate risk	Lead Officer(s)	Target Date
2.1 Timely policy insight	Circulation of monthly policy briefings and timely legislative updates.	Corporate Performance Manager	Monthly until March 2022
2.2 Commitment to informing government policy	Working alongside partner agencies (LGA etc.), deliver proactive responses to formal consultations and policy papers from central government to ensure Gravesham's strategic position is effectively represented.	Wider Management Team	Ongoing to March 2022
2.3 Proactive engagement with partner agencies	Ensure a strong commitment to the council's partnership working arrangements and sustaining Gravesham's involvement with key stakeholder agencies and working groups on a national and local basis including (but not exclusive to): - Local Government Association - District Councils Network - Kent Finance Officers Group - Kent Resilience Forum	Wider Management Team	Ongoing to March 2022
2.4 Planning for Business Continuity	Business Continuity Plans to be reviewed and updated to ensure they remain fit for purpose.	Wider Management Team	March 2022
2.5 Continuation of the Member training and development plan	Member Training and Development Plan prepared and delivered to provide ongoing support all Members.	Committee Services Manager/Wider Management Team	March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Existing Controls	Additional Actions required to further mitigate risk	Lead Officer(s)	Target Date
2.6 Maintain proactive briefing and information sharing arrangements between council departments, Members and staff to ensure an effective and coordinated response to significant projects in the Borough	Develop effective working practices between departments to enable information sharing and coordination of responses on behalf of the council. Put in place a mechanism which enables regular updates to be provided to Members.	Director (Planning & Development)	March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Risk 3: Organisational capacity/resilience						Owners: Chief Executive and Management Team					
Risk Background: The council's Management Team have put in place a number of arrangements to help the effective direction of the council's finite staffing resources, including approval of all new appointments and the cessation of temporary staff contracts and non-contractual overtime (except in exceptional circumstances). This is intended to reduce the risk of key person dependency and poor resilience by recognising and improving organisational capacity and resilience where needed, identifying critical tasks, working flexibly across departments and developing the skills and abilities of key leaders and staff. In developing its working arrangements the council will also need to manage the aging operational buildings from which it delivers services to ensure these remain fit for purpose and capable of supporting its ways of working and the methods of access preferred by service users. The council also needs to ensure that it has plans in place to cope with other potential impacts on capacity which may result from severe weather, building damage or pandemic to ensure that key services can continue to be delivered, particularly in light of the current coronavirus outbreak. The council's workforce, particularly those office based staff, have needed to adapt to working practices due to the Covid -19 pandemic and there is an increase in the level of work completed remotely.						Consequences: • Council unprepared for changes resulting in pressure being placed on resources, this in turn could lead to the council struggling to meet changes in demand for services. • Services areas with reduced staff will suffer a greater impact which in turn will add pressures on already stretched resources. • Increased organisational stress can negatively impact productivity, which in turn can reduce staff motivation, create low morale and increase sickness and stress levels. • The council will be required to provide additional help and support to overcome the problems that result from increased organisational stress. • Increases in liability claims and weaknesses in internal controls could result due to there being insufficient staff resources to carry out essential roles and responsibilities. • Cuts in services and a potential drop in service quality is also possible					
INHERENT RISK SCORE						RESIDUAL RISK SCORE					
Likelihood	5	Impact	4	Score	20	Likelihood	5	Impact	3	Score	15

Existing Controls	Additional Actions required to further mitigate risk	Lead Officer(s)	Target Date
3.1 Effective Allocation of resources	All requests for filling of vacant posts are reviewed by Management Team and in addition posts that have been vacant for over a year are reviewed on an annual basis. The shared service arrangements are reviewed on an annual basis to ensure that they continue to meet our objectives. Due to Covid-19 existing staff have been allocated to new tasks and others areas of work, this work if on-going.	Management Team	Ongoing to March 2022
3.2 Flexible working arrangements	A Task and Finish Working group has been established to consider Homeworking/Flexible working arrangements going forward. Any necessary action plans identified by the working group, will be implemented to inform and shape future working arrangements and updates will be made to HR policies and procedures to support this A full review of Apprenticeships and work experience is currently being reviewed and taken forward at the current time. Currently a large number of office based staff are home working, with a skeleton staff coming into the offices. We continue to review our working practices to ensure that our staff welfare is being considered during this unsettling times, but also that the service we provide to our residents remain unaffected.	Management Team	Ongoing to March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Existing Controls	Additional Actions required to further mitigate risk	Lead Officer(s)	Target Date
3.3 Provision of training and support	Training at the moment continues to be carried out virtually and the support of our employees remains a priority, so we continue to respond to issues and provide new equipment during this time. In addition we also remain committed to our employee's mental health during these unsettling times and ensure that all managers are communicating on a regular basis. In addition the Chief Executive sends out to all staff a weekly letter which contains all council and Covid-19 updates, this has proven to be very popular and effective. We are also encouraging all staff to attend for regular testing at the no-symptom centres and majority of staff are being tested on a 2 weekly basis.	Director (Communities)	Ongoing to March 2022
3.4 Workforce Support	Continue to operate the Joint Staff forum to update the workforce on key issues regarding the Council and give employees the opportunity to raise any concerns they may have. Deliver the IIP action plan. Continue to actively proactively and positively engage with Trade Unions. Continue communication to promote Occupational Health, the Employee Assistance Programme and the Mental Health Champions as further confidential support services for staff.	Director (Communities)	Jan 2022
3.5 Operational Building Management	A small group of staff continue to lead on the Covid compliant plans for all Civic Buildings. Regular checks are carried out to ensure compliance and we continue to adjust and change our working practices to ensure compliance with government advice. Our good working practices include additional screens, an enhanced cleaning regime, one way systems, virtual meetings and reduced occupancy in office environments to deal with the one metre distancing rules.	Director (Communities)	Jan 2022
3.6 Business Continuity Framework	Plans have been updated in line with Covid-19 changes and are currently being reviewed in line with the County approach to the Brexit withdrawal arrangements.	Management Team	Ongoing March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Risk 4: Cyberattack resulting in data breach or corruption of data											Owner: Director (Corporate Services)											
Risk Background: As more reliance grows on IT Systems the risks surrounding a cyberattack disrupting those systems becomes more important. Whilst there is no specific targeted threat to local government (confirmed by the National Cyber Security Centre), criminal activity via Cyber methods remains the most likely motivation. Since the onset of the Covid-19 pandemic there has been a significant increase in cybercrime as noted in the NCSC Annual Review 2020. Whilst technical and non-technical controls can be put in place to reduce the ease at which an IT Infrastructure can be attacked, unknown vulnerabilities (zero day threats) and / or a determined attacker can defeat even the most secure systems. The target dates specified for controls are marked as ongoing since constant management action is required to ensure we do not slip backwards with our arrangements and defences. Alongside protecting systems should be a well-practiced incident response plans.											Consequences: • Unavailability of systems for normal use in service delivery. • Destruction of systems and data. • Theft of data for criminal use. • Financial loss. • Reputational damage. • Extended period to recover council services to usual business.											
INHERENT RISK SCORE						RESIDUAL RISK SCORE																
Likelihood	4	Impact	4	Score	16	Likelihood	3	Impact	4	Score	12											

Existing Controls	Additional Actions required to further mitigate risk	Lead Officer(s)	Target Date
4.1 Implementation of Technical Security Controls.	Due to other commitments the new web and email filtering capability has not been progressed, but existing control systems have been arranged to remain in place for a further year. The log monitoring system has been updated and the configuration reviewed.	Assistant Director (Transformation & IT)	Ongoing to March 2022
4.2 Back up arrangements in place.	The existing offsite arrangements continue. The enhancements have been delayed by approximately six months. This is due to the physical delivery and installations not being possible due to the governments Covid-19 restrictions being in place at the time.	Assistant Director (Transformation & IT)	Ongoing to March 2022
4.3 Maintain participation with relevant warning bodies.	Continue to be part of the Kent Warning, Advice and Reporting Points (WARP) Group. Continue to actively attend briefing events held by the National Cyber Security Centre.	Assistant Director (Transformation & IT)	Ongoing to March 2022
4.4 Maintain direct engagement with Cyber bodies.	Continue to engage with the National Cyber Security Centre and make use of their Active Cyber defence tools. Continue to be active participants on the LGA Cyber Technical Advisory Group whose purpose is to promote best practice and awareness of cyber issues to the local government sector.	Assistant Director (Transformation & IT)	Ongoing to March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Existing Controls	Additional Actions required to further mitigate risk	Lead Officer(s)	Target Date
4.5 Improvements to existing controls.	Continue to proactively maintain arrangements to upgrade council devices and maintain the patch management solution (ensuring computers can be kept up to date with software updates), as well as the Mobile Device Management (MDM) and Secure Email solutions to better protect mobile devices. Implement further enhancements to MDM and USB device control. In light of the shift to working from home, additional enhancements have been made to our antivirus and end point management software to better serve users wherever they are located. Enhancements have also been made to our email system configuration to better protect the reputation and brand of our email domain, preventing use by unauthorised users. In a recent survey conducted of all local government email domains, Gravesham are in the top 1% for steps taken to protect our reputation.	Assistant Director (Transformation & IT)	Ongoing to March 2022
4.6 Expansion of Business Continuity plans.	A new business continuity environment has now been built at Brookvale depot. Hardware is in place and the software to replicate systems is in the final stages of commissioning. The corporate move to the cloud based Microsoft 365 suite of products has also enabled additional business continuity resilience to be set up in the cloud.	Assistant Director (Transformation & IT)	Ongoing to March 2022
4.7 Engagement with Local Resilience Partnership.	The Kent Resilience Forum have deferred this work due to the level of resources being required for Covid-19 response.	Assistant Director (Transformation & IT)	Ongoing to March 2022
4.8 Conduct Cyberattack exercise scenarios.	Following on from deploying staff awareness training in July, an email phishing simulation is being planned for delivery in February 2021.	Assistant Director (Transformation & IT)	Ongoing to March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Risk 5: Investment risk						Owner: Director (Corporate Services)					
Risk Background: As part of its strategy to respond to a decade of significant and sustained cuts, over the last four years the council has increased its exposure to investment risk and commercial risk through the diversification of its investment activity and Property Acquisition Strategy. The council holds £20m of investments in Multi-Asset Funds and Property Funds; this provides greater opportunities for the council to generate investment yields beyond those offered by traditional banks and building societies, but also greater exposure to fluctuations in the capital value of the investments held. To date, the Property Acquisition Strategy has secured interests in seven commercial property holdings valued at £22m, generating some £1.5m in rental income per annum. The strategy does, however, expose the council to risks around movements in commercial property values and the strength of financial standing of the tenants of these properties. The COVID-19 pandemic has realised these risks, affecting investment and commercial rental returns. Whilst the impact is assessed as significant, it has not yet seriously impacted the council's financial position and ability to deliver services. The financial impacts may be felt, however, for a number of years as the economy recovers.						Consequences: - Investments do not perform as expected. E.g. due to economic downturn, which impacts on the balance sheet value of assets. - Greater exposure to risk of void periods and loss of income if commercial tenants fail or hand back premises when their lease allows. - Landlord responsibilities on commercial properties exceed anticipated levels e.g. due to increased void periods and associated outgoings such as empty rates, utility, maintenance and refurbishment costs. - Spending plans are based on levels of commercial rental income and investment income that are not achieved, affecting core council service delivery. - Balance sheet value of assets is eroded. - Negative impact on council reputation.					
INHERENT RISK SCORE			RESIDUAL RISK SCORE								
Likelihood	5	Impact	3	Score	15	Likelihood	5	Impact	2	Score	10

Existing Controls	Additional Actions required to further mitigate risk	Lead Officer(s)	Target Date
5.1 Treasury and Investment Framework	Continue to maintain the Treasury Management Strategy Statement, Capital Strategy and Property Acquisition Strategy to formalise the agreed parameters for investment.	Assistant Director (Corporate Services)	Ongoing to March 2022
5.2 Monitoring and review of treasury activity	Continue to provide and develop quarterly monitoring of treasury and commercial investment activity, to both officers and Members, to report and review performance of the diversified investment portfolio.	Assistant Director (Corporate Services)	Quarterly to March 2022
5.3 Financial Protection	Maintain the commercial income protection reserve, the balance of which is set at 15% of investment income in any year. Continue the close working relationship between Financial Services and Property Services to enable early identification of any risks or opportunities from the council's commercial property portfolio.	Assistant Director (Corporate Services)	Ongoing to March 2022
5.4 Professional advice and support	Ensure that ongoing advice and support is sought from the council's Treasury and Economic advisors and other experts as required. Ensure that any new activity is subject to appropriate due diligence, including seeking advice and support from external experts as required.	Assistant Director (Corporate Services)	Ongoing to March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Risk 6: Universal credit						Owner: Director (Corporate Services)					
Risk Background: Gravesham adopted Universal Credit ‘Live’ service in its most basic form on the 18 May 2015 for single residents only in prescribed circumstances. The impact was minimal and did not produce a risk score. Universal Credit live service was closed to new claims from 31 December 2017. Universal Credit ‘Full’ service commenced in May 2018 and was available for all types of claimant with the exception of a few categories. The Department for Work and Pensions (DWP) had overall responsibility for implementing Universal Credit, although the Council has a key role in in providing Universal Support to residents who wish to claim. From April 2019 the DWP sub contracted Citizens Advice to do the Assisted Digital Support and Personal Budgeting Support directly to residents. Implementation of additional analytical software to support the Housing Income Team, along with regular income collection performance monitoring, review of income collection procedures and audits and early intervention to support tenants has assisted in dealing with this risk adequately. The Work and Pensions Secretary announced Feb 2020 that the full roll-out of Universal Credit has been delayed from Dec 2023 to Sept 2024, as data now suggests that natural migration over to Universal Credit through changes to people’s circumstances, is happening less frequently then previously predicted.						Consequences: There remains much uncertainty as to the exact direct and indirect consequences of the changes upon the authority, particularly whether resources to support the scheme will still be required to be retained by the council (and at what level) once administration of Universal Credit is taken over by the Department for Work and Pensions in its entirety. The last announcement (Feb 2020) again delayed managed migration this time to Sept 2024. A pilot rollout to one ‘test’ authority has been stopped in view of the pandemic. This makes it difficult to predict the resourcing requirements of the benefits service. Data shows that, Full service caseload is continuing to reduce and the number of new claims received is starting to reduce however, the workload has actually increased as a result of the number of notifications that the DWP JCP send through on a daily/weekly basis. Direct consequences are; • A reduction in HB caseload. • A reduction in council dwelling rental income and increase in rent arrears as payments will be made direct to the tenant, rather than direct to the rent account as they are now. • Increase in workload for Housing Team. • Increases in evictions/homelessness/voids. • Rise in level of corporate debt. • Customers may suffer hardship. Indirect consequences are also expected, with increased costs of cash handling through the shift away from rebating benefit to cash transactions.					
INHERENT RISK SCORE			RESIDUAL RISK SCORE								
Likelihood	5	Impact	3	Score	15	Likelihood	2	Impact	3	Score	6

Existing Controls	Additional Actions required to further mitigate risk	Lead Officer(s)	Target Date
6.1 Regular meetings planned to take place with JCP Senior Officers	Liaison has continued despite the Covid-19 pandemic although remotely. JCP Partnership Manager has remarked that “they are proud of the working relationship between JCP and GBC (Housing and Benefit sections)”. Caseload & workload has been closely monitored and reported. The year has seen significant benefit changes with good regular update bulletins Job shadowing temporarily suspended due to the pandemic but will be resurrected as soon as practicable.	Head of Revenues and Benefits Assistant Revenues and Benefits Manager Housing Income Manager	Ongoing to March 2022
6.2 Customers given help with claiming Universal Credit and managing finance	CAB has not had a physical presence in either the Civic Centre, or the Jobcentre, due to Covid-19 restrictions during the year. They have however continued to provide the service remotely via telephone. There have been limited evictions during year due to national suspension, but Web pages are kept up to date and targeted social media messaging is in place to signpost claimants where assistance is needed. Particular advice has been promoted concerning hardship caused by the Covid-19 pandemic and relevant grants/payments that are available. Despite a significant increase in UC claimants the Housing Team has managed the level of rent arrears by the use of alternative payment arrangements to control rent arrears.	Head of Revenues and Benefits Housing Income Manager	Ongoing to March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Existing Controls	Additional Actions required to further mitigate risk	Lead Officer(s)	Target Date
6.3 Contact with residents as well as social and private landlords to establish impact of Universal Credit	Signposting has continued. Although JCP has advised that customer numbers have slightly reduced. Close working with JCP continues via telephone. Web pages are kept up to date and targeted social media messaging is in place to signpost claimants.	Head of Revenues and Benefits Housing Income Manager	Ongoing to March 2022
6.4 Maintain briefing arrangements for Members and staff and provide regular updates of any changes	Staff have continued to be briefed and received regular bulletins and information/training on system changes. Members have been updated via the Performance and Administration committee.	Head of Revenues and Benefits Housing Income Manager	Ongoing to March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Risk 7: Withdrawal of the United Kingdom from the European Union						Owner: Management Team					
Risk Background: On 1 January 2021 the transition period with the European Union ended, and the United Kingdom now operates a full, external border as a sovereign nation. This means that controls have been placed on the movement of goods between Great Britain and the EU. Improving levels of trader and haulage industry preparedness for the new rules and requirements has limited disruption at the EU and GB ports with minimal queues of HGVs in Kent. In preparation for potential disruption “Operation Brock” has been developed as a system to reduce disruption in Kent while still allowing traffic to pass on both sides of the motorway						Consequences: - Delivering services due to disruption to the road network as a consequence of increased border and customs checks on port freight traffic, including use of Ebbsfleet Car Park D as an inland border facility operated by HMRC has not materialised as yet, albeit there is less road traffic generally at present. Disruption in particular to waste collection and disposal and to staff ability to reach their usual place of work, has likewise not materialised, albeit the majority of staff are able to work from home so the impact is reduced. - Potential for council income from services to reduce due to service disruption or changes to customer behaviour (car parking) has not materialised, albeit we are still in lock-down. - Potential longer term impacts on staffing and future recruitment and legal and regulatory framework of the country remains a potential risk. - Potential impacts on the council's supply chain and the procurement of supplies and services (through actual supply and inflation-linked contracts) remains a risk. - Potential to cause instability in interest rates, affecting investment decisions, returns from current investments and pension fund liabilities. Potential to cause a downgrading in UK sovereign rating and UK institutional ratings, limiting options for investment decisions. Impact may also be felt on existing commercial property rental income returns and capital values. Potential impacts on funding for longer term regeneration and infrastructure development plans remains a risk but may be covered I the risk relating specifically to financial stability. - Increased risk of intentional attempts to disrupt council services through cyber and other means remains but it not necessarily linked to this perceived risk. - Social Unrest and increase in public disorder has not materialised.					
INHERENT RISK SCORE			RESIDUAL RISK SCORE								
Likelihood	3	Impact	2	Score	6	Likelihood	3	Impact	2	Score	6

Existing Controls	Additional Actions required to further mitigate risks	Lead Officers	Target Date
7.1 The council is a key partner within the Kent Resilience Forum (KRF), who continues to co-ordinate the Kent-wide Brexit contingency planning arrangements. The council is in regular contact with relevant sub groups of the KRF and associated tactical and strategic planning meetings. The council has also taken part in various desktop exercises linked to Operation Fennel – which is the county's response to anticipated traffic disruption at the ports and associated road network.	Pro-active involvement within the overall Command & Control response phase associated with the Withdrawal of the UK from the EU, through regular daily meetings 7 days a week – where required e.g. TCG/SCG dial ins, as well as involvement in Vulnerable People & Communities Cell etc.	Chief Executive (as part of the KRF Executive Board) Director – Communities (District Emergency Planning Lead)	Jan 2022 and beyond

Corporate Risk Register 2021-2022
Analysis of Risks

Existing Controls	Additional Actions required to further mitigate risks	Lead Officers	Target Date
7.2 The council has in recent years adopted a new Business Continuity Management System that consists of; an overarching Framework document, a corporate Business Continuity Plan (made up of a series of individual Directorate BC plans), and a series of Predetermined Decisions/Activation Cards.	Directorates have also completed specific Brexit BC plans as well as being provided with a manager's checklist to mitigate the effects of the end of the EU Exit transition period.	Wider Management Team	Jan 2022 and beyond

Corporate Risk Register 2021-2022
Analysis of Risks

Risk 8: Civil risk e.g. flooding, major disaster etc.											Owner: Management Team			
Risk Background: Under the Civil Contingencies Act 2004, the Kent Resilience Forum (KRF) partners are required to assess the risks in their area. KRF partners achieve this by working together to develop the 'Kent Community Risk Register'. The risk register is informed by national guidance and developed locally with partners, including Gravesham Borough Council and subject matter experts. The final register is endorsed by the strategic representatives of all KRF partners. Very High Risks include; severe inland flooding, influenza-type disease High Risks include; severe weather, localised flooding, environmental, loss of utilities etc. Medium Risks include; industrial accidents, transport accidents including shipping, major food contamination incidents, structural infrastructure failure, animal health, industrial action etc. The Kent Resilience Forum have been robustly tested over the last ten months through its response to the COVID-19 pandemic and, more recently, the end of the transition period of the UK leaving the EU.											Consequences: From a council perspective; • Unavailability of Council offices / depots due to explosion, fire flood or police cordons around Council buildings • Unavailability of staff due to influenza type disease, over a long period causing issues to council service provision. • Operational emergencies due to severe weather conditions, fire, or major incident. • Availability of staff to deliver key services if trained volunteers are taken away to deal with a major incident in the borough (the Council is a Category 1 responder under the Civil Contingencies Act). • Loss of key business systems due to power problems, system failure or cyberattack. • Sustained industrial action affecting key services. • Adequacy of contractor's business continuity plans.			
INHERENT RISK SCORE						RESIDUAL RISK SCORE								
Likelihood	3	Impact	4	Score	12	Likelihood	3	Impact	3	Score	9			

Existing Controls	Additional Actions required to further mitigate risks	Lead Officers	Target Date
8.1 County-wide contingency planning - Proactive engagement with County-wide contingency planning arrangement. The council is a key partner within the Kent Resilience Forum (KRF) and receives direct support from Kent Resilience Team colleagues with regards to developing an annual work plan, training requirements and exercising.	Review and update Major Emergency Plan, Borough Emergency Centre Plan and Multi-Agency Flood Plan. To organise regular testing of plans in partnership with the KRF, including both desktop and live exercises.	Chief Executive (as part of the KRF Executive Board) Director – Communities (District Emergency Planning Lead)	October 2021
8.2. The council has adopted a new Business Continuity Management System, which consists of an overarching Framework document, a Corporate Business Continuity Plan (made up of individual directorate BC plans) and a series of Pre-determined Decisions/Activation Cards.	To review all BC plans on an annual basis to ensure that they are up to date and fit for purpose. To develop information for local businesses or organisations with regards to the importance for their own resilience during a potential BC event that affects their business and staff.	Wider Management Team	March 2022

Corporate Risk Register 2021-2022
Analysis of Risks

Risk 9: Digital transformation and remote working												Owner: Assistant Director (IT & Transformation)			
Risk Background: Digital transformation is a long-term strategic priority which covers the operational systems for service delivery and the way staff deliver the service (via an increase in Remote Working). Digital Transformation is a long standing programme which has its roots in the Service Review / Bridging the Gap activities and has seen a complete overhaul of the council website and unified citizen platform for contact with the council. The ongoing programme includes improvements in digital services for Revenues and Benefits via an online account, the new Housing system, and introduction of consolidated debt management. Remote Working was an area which was identified for improvement as a result of reviewing the Council accommodation requirements but has gathered significant momentum as a result of reacting to Covid-19. The risk areas related to Digital Transformation and Remote Working include; - Automation, Artificial Intelligence and Data Governance (ensuring new services confirm to existing legal and ethical frameworks) - Staff resources (adequate for the projects we are undertaking) - New skills (equipping the workforce with the knowledge and abilities required to use new tools) - Culture change (ensure staff are supportive and engaged with the journey)												Consequences: Digital Transformation aims to improve the speed and quality of service delivery, whilst reducing the cost of providing the service and providing a better overall experience for the customer. Not progressing in this area puts those aims in jeopardy. Remote working seeks to provide a safe and effective working environment for officers whether they are based inside or outside the council offices. A mismatch in balance between office vs remote working will ultimately result in poorer service delivery to our customers and increased costs of service delivery.			
INHERENT RISK SCORE						RESIDUAL RISK SCORE									
Likelihood	2	Impact	2	Score	4	Likelihood	1	Impact	2	Score	2				

Existing Controls	Additional Actions required to further mitigate risks	Lead Officers	Target Date
9.1 IT Strategy and Digital Strategy	Create a new combined IT & Digital Strategy to set out the aims and ambitions of the next few years and establish the framework for evaluating and implementing new transformation projects.	Assistant Director (IT & Transformation) Digital Manager	By October 2021
9.2 Current projects and priorities within the Corporate and Departmental Business Plans	Review all revisions to the Corporate and Department Business Plans to identify transformational projects and asses their impact and priority in line with the IT and Digital strategy.	Assistant Director (IT & Transformation) Digital Manager	On-going to December 2021
9.3 Technical staff job roles, job descriptions, and competency frameworks	Review staff skills and identify training and career development to improve staff ability and increase retention of key employees.	Assistant Director (IT & Transformation) Digital Manager	By June 2021

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GRAVESHAM BOROUGH COUNCIL

CORPORATE RISK REGISTER

2021-2022

Gravesham's Corporate Risk Register is the result of an annual strategic risk management exercise conducted to identify, analyse and prioritise those risks that may affect the ability of the council to achieve its corporate objectives. The key risks facing the council were identified through discussion with Cabinet Members, Finance and Audit Committee Members, Members, Directors, Assistant Directors, Service Managers and other senior managers.

The Corporate Risk Register outlines the key strategic risks facing the council, the controls currently in place to respond to these risks and any further action required by the council to properly manage these risks. The actions that the council has in place/needs to implement are assessed as one of the following:

- **Good** – actions in place will mitigate the risk and no further action is required.
- **Adequate** – whilst the action will help to mitigate the risk, there is still further work that can be undertaken to further mitigate the risk.
- **Inadequate** – the action is either not already in place or is not mitigating the risk and therefore further work is required.

The following matrix is utilised when assessing whether a risk is a high, medium or low risk for the council:

The Risk Matrix

LIKELIHOOD	Very High	5	5	10	15	20
	High	4	4	8	12	16
	Medium	3	3	6	9	12
	Low	2	2	4	6	8
	Very Low	1	1	2	3	4
	High Risk		1	2	3	4
	Medium Risk		Negligible	Significant	Serious	Critical
	Low Risk					
	IMPACT					

Guidance used for assessing Likelihood and Impact**Likelihood:**

Rating	Score	
Very High	5	On the evidence and knowledge of officers and members it is almost certain that this issue will occur sometime within the next year. The issue may have already occurred in previous years either at the council or elsewhere.
High	4	On the evidence and knowledge of officers and members it is very likely that this issue or event will occur in the coming year.
Medium	3	On the evidence and knowledge of officers and members the issue is more likely to occur than not in the coming year.
Low	2	On the evidence and knowledge of officers and members it is unlikely that this event will occur in the coming year. Occurrences of this risk have occurred in the past but occurrences are very few and far between.
Very Low	1	On the evidence and knowledge that this event would occur in either the coming year or in future years.

Impact:

Rating	Score	
Critical	4	The financial impact on the authority would threaten the council's financial stability. The delivery of service to the public could be affected either permanently or for a long duration and the council could not achieve its key objectives. There would be a seriously damaging impact on the council's reputation through poor media coverage.
Serious	3	The financial impact on the authority would be significant although would not threaten the stability of the councils financial position. Services would experience disruption with the delivery of services being affected for a number of days. Whilst the council's objectives would be met there would be significant delays in achieving them. The council would endure poor media coverage for a period of time affecting the council's reputation which would take some time to recover from.
Significant	2	There may be financial impact on the authority and/or the cost of mitigating the risk could exceed the financial implications of the risk there may be disruption to services and possibly delays in achieving the council's objectives. There may be poor media coverage which could affect the council in the long term.
Negligible	1	There is little or no financial impact of the risk to the authority. There would be no disruption to the delivery of the council's key objectives or frontline services. There is no risk of this risk impacting on the councils reputation

All risks identified for 2021-2022 and their assessments are plotted in the Heat Map and are summarised in the table below:

Risk Ref	Risk Description	Inherent Risk	Residual Risk	Target Risk
1	On-going financial viability of the council	20	12	9
2	Changes in national priorities and legislation	20	15	12
3	Organisational capacity/resilience	20	15	12
4	Cyberattack resulting in data breach or corruption of data	16	12	9
5	Investment risk	15	10	9
6	Universal credit	15	6	9
7	Withdrawal of the United Kingdom from the European Union	6	6	6
8	Civil risk e.g. flooding, major disaster etc.	12	9	9
9	Digital transformation and remote working	4	2	2

The risks that have generated a “High Risk” score can be seen coloured in red and these have therefore been included in the 2021-2022 Corporate Risk Register.

Risk Heat Map (Residual Risk)

LIKELIHOOD	Very High	5			2,3	
	High	4			1,4	
	Medium	3		7	8	5
	Low	2		9	6	
	Very Low	1				
	Hig Risk		1	2	3	4
	Medium Risk		Negligible	Significant	Serious	Critical
	Low Risk		IMPACT			

Given that the council works in an ever-changing environment it will be necessary to conduct similar risk management exercises on a periodic basis. Progress against management actions recorded in the register will be reviewed on a six-monthly basis by the Finance and Audit Committee.

As a contribution to good corporate governance, risk management also forms a part of the annual business planning process – each departmental business plan has a specific service risk register to identify the key risks facing that service. This reinforces the corporate risk management approach through each Service Manager giving proper formal consideration to both corporate and operational risks

The Risk		Ongoing financial viability of the Council							Risk No.		1	
Assessment Date		January 2021										
INHERENT RISK SCORE						RESIDUAL RISK SCORE						
Likelihood	5	Impact	4	Score	20	Likelihood	4	Impact	3	Score	12	

Cabinet Portfolio	Leader of the Executive (but affects all portfolios)										
Risk Background	Over the last decade Gravesham Borough Council, along with the rest of local government, has experienced significant and sustained cuts to its funding whilst demand on services has risen. The Council proactively responded to these financial challenges by implementing a programme of activity designed to increase income and reduce expenditure, successfully delivering £4.25m of base budget reduction by 2020. New financial challenges have arisen due to the Covid-19 pandemic. The Council has experienced immediate losses in-year against collection against key income lines such as council tax, business rates, car parking and investment income. These income lines are likely to take a period of time to recover and, in some instances, may take a significant time to recover to pre-covid levels. There also remains great uncertainty around the way in which local government will be funded in the future; many central government funding announcements have been put on hold this year due to parliamentary and government departmental time being diverted to responding to the Covid-19 pandemic and the end of the transition period of the UK leaving the EU. Local government finds itself once again being issued with a single year settlement, with no certainty of the mechanism by which local government will be funded in future years, making longer term planning extremely challenging.										
Consequences	• Inability to plan effectively due to the lack of clarity around the future level of government funding support and how the business rates retention scheme will operate in practice. • Potential for MHCLG to reduce the total funding available to the council (including retained business rates) beyond the levels projected in the MTFP to support other departmental funding pressures. • Council exposed to increased financial risk and volatility from changes to funding and any redesigned business rates scheme. • Unplanned cuts in services needed and/or drop in quality of delivery, potentially leading to damage to Council's reputation. • Financial savings not achieved. • Budgets exceeded and/or reserves depleted. • Problems stored up for the future. • Minimum working balance of £2 million is not maintained. • New legislative requirements not met. • Uncertainty over future large projects. • Potential for infrastructure to deteriorate. • Potential for the introduction of further statutory discounts for Business Rates payers without compensation from central										

	government.				
Controls already in place	• Medium Term Financial Strategy in place • Medium Term Financial Plan in place • Robust budget monitoring arrangements in place				
Key corporate documents and processes	Medium Term Financial Strategy Medium Term Financial Plan Budget monitoring process				
Risk Owner (s)	Director (Corporate Services); Assistant Director (Corporate Services)				
Additional actions required to further mitigate risk					
Required Management Action			Lead Officer(s)		Target Date
Continue to review reserves and working balance annually to assess financial sustainability and appropriateness of working balances and reserves as a means to manage cash flow, future requirements and unexpected events. Continue the council's financial strategy objectives and the core principles that underpin these. Development of a new Medium Term Financial Strategy for the council once the outcomes of the Fair Funding Review, Retained Business Rates Scheme design and other local government funding reform are known.			Director (Corporate Services) Assistant Director (Corporate Services)		February 2022
Continued maintenance of the Medium Term Financial Plan. Modelling of the effects of the Fair Funding review, Retained Business Rates Retention Scheme and other local government funding reform once known.			Director (Corporate Services) Assistant Director (Corporate Services)		Ongoing to March 2022
Continue the programme of development for the council's Financial Management System. Ensure adequate compliance with budget monitoring arrangements. Continue to proactively respond to central government consultations on funding for local government.			Assistant Director (Corporate Services)		Ongoing to March 2022
Target for end of the 2021-2022 financial year					
Likelihood	3	Impact	3	Score	9

The Risk		Changes in national priorities and legislative change						Risk No.		2	
Assessment Date		January 2021									
INHERENT RISK SCORE						RESIDUAL RISK SCORE					
Likelihood	5	Impact	4	Score	20	Likelihood	5	Impact	3	Score	15
Cabinet Portfolio		All Portfolios									
Risk Background		Good governance requires that the council is fully informed of legislation, national priorities including Nationally Significant Infrastructure Projects (NSIP) to ensure that it is best placed to respond to any implications for its operations or the Borough more widely. The last year has created new challenges in responding to the council in responding to government policy announcements, particularly at short notice as Central Government led the national response to the Covid-19 pandemic. As the country enters the recovery phase, further policy guidance and legislation is expected from this, in addition to legislative changes to respond to the end of the transition period of the UK exiting the EU. On enactment of relevant legislation, the council will potentially face new statutory duties, responsibilities or standards with which to adhere, potentially challenging existing services and working practices. In respect of NSIP, current proposals that are being progressed include: • Lower Thames Crossing (in Gravesham) • Thurrock Flexible Generation Plant (Tilbury) • London Resort (in Dartford/Gravesham) The council will need to ensure it has access to sufficient and appropriate resources to enable it to effectively respond to these proposals as further information is released.									
Consequences		• Change of strategic direction for the council. • Breakdown in governance controls and processes. • New legislative and regulatory duties not met and the potential for legal challenge. • Severe financial position, challenging the council's ability to deliver the corporate objectives and policy commitments within the Corporate Plan. • Logistical challenges to the delivery of council services and effectiveness of the council's supply chain. • Sustained levels of service underperformance, resulting in a failure to meet community needs and expectations. • Additional costs/workload pressures for staff impacting morale, sickness absence and future recruitment and retention. • Increased scrutiny from Members, agencies, media and community stakeholders / reputational damage. • The council may need to redirect resources to enable responses to consultations and other processes quickly									

Controls already in place	• Timely policy insight. • Informing government policy. • Engagement with partner agencies. • Business continuity planning. • Member training and development. • Proactive briefing and information sharing arrangements between council departments, Members and staff.				
Key corporate documents and processes	Corporate Plan 2019-2023 Medium Term Financial Strategy and Medium Term Financial Plan				
Risk Owner (s)	Chief Executive and Management Team				
Additional actions required to further mitigate risk					
Required Management Action			Lead Officer(s)		Target Date
Circulation of monthly policy briefings and timely legislative updates.			Corporate Performance Manager		March 2022
Working alongside partner agencies (LGA etc.), deliver proactive responses to formal consultations and policy papers from central government to ensure Gravesham’s strategic position is effectively represented.			Wider Management Team		Ongoing to March 2022
Ensure a strong commitment to the council’s partnership working arrangements and sustaining Gravesham’s involvement with key stakeholder agencies and working groups on a national and local basis including (but not exclusive to): - Local Government Association - District Councils Network - Kent Finance Officers Group - Kent Resilience Forum			Wider Management Team		Ongoing to March 2022
Business Continuity Plans to be reviewed and updated to ensure they remain fit for purpose.			Wider Management Team		March 2022
Member Training and Development Plan prepared and delivered to provide ongoing support all Members.			Committee Services Manager/Wider Management Team		March 2022
Develop effective working practices between departments to enable information sharing and coordination of responses on behalf of the council. Put in place a mechanism which enables regular updates to be provided to Members.			Director (Planning & Development)		March 2022
Target for end of the 2021-2022 financial year					
Likelihood	4	Impact	3	Score	12

The Risk		Organisational capacity/resilience							Risk No.		3	
Assessment Date		January 2021										
INHERENT RISK SCORE						RESIDUAL RISK SCORE						
Likelihood	5	Impact	4	Score	20	Likelihood	5	Impact	3	Score	15	

Cabinet Portfolio	Deputy Leader (but affects all portfolios)										
Risk Background	The council's Management Team have put in place a number of arrangements to help the effective direction of the council's finite staffing resources, including approval of all new appointments and the cessation of temporary staff contracts and non-contractual overtime (except in exceptional circumstances). This is intended to reduce the risk of key person dependency and poor resilience by recognising and improving organisational capacity and resilience where needed, identifying critical tasks, working flexibly across departments and developing the skills and abilities of key leaders and staff. In developing its working arrangements the council will also need to manage the aging operational buildings from which it delivers services to ensure these remain fit for purpose and capable of supporting its ways of working and the methods of access preferred by service users. The council also needs to ensure that it has plans in place to cope with other potential impacts on capacity which may result from severe weather, building damage or pandemic to ensure that key services can continue to be delivered, particularly in light of the current coronavirus outbreak. The council's workforce, particularly those office based staff, have needed to adapt to working practices due to the Covid -19 pandemic and there is an increase in the level of work completed remotely.										
Consequences	• Council unprepared for changes resulting in pressure being placed on resources, this in turn could lead to the council struggling to meet changes in demand for services. • Services areas with reduced staff will suffer a greater impact which in turn will add pressures on already stretched resources. • Increased organisational stress can negatively impact productivity, which in turn can reduce staff motivation, create low morale and increase sickness and stress levels. • The council will be required to provide additional help and support to overcome the problems that result from increased organisational stress. • Increases in liability claims and weaknesses in internal controls could result due to there being insufficient staff resources to carry out essential roles and responsibilities. • Cuts in services and a potential drop in service quality is also possible										
Controls already in place	Effective allocation of resources Flexible working arrangements Provision of training and support Workforce Support.										

Key corporate documents and processes	Corporate Business Plan 2019-2023 Workforce Development Plan	
Risk Owner (s)	Chief Executive and Management Team	
Additional actions required to further mitigate risk		
Required Management Action	Lead Officer(s)	Target Date
All requests for filling of vacant posts are reviewed by Management Team and in addition posts that have been vacant for over a year are reviewed on an annual basis. The shared service arrangements are reviewed on an annual basis to ensure that they continue to meet our objectives. Due to Covid-19 existing staff have been allocated to new tasks and others areas of work, this work is on-going.	Management Team	Ongoing to March 2022
A Task and Finish working group has been established to consider Homeworking/Flexible working arrangements going forward. Any necessary action plans identified by the working group, will be implemented to inform and shape future working arrangements and updates will be made to HR policies and procedures to support this. A full review of Apprenticeships and work experience is currently being reviewed and taken forward at the current time. Currently a large number of office based staff are home working, with a skeleton staff coming into the offices. We continue to review our working practices to ensure that our staff welfare is being considered during this unsettling times, but also that the service we provide to our residents remain unaffected.	Management Team	Ongoing to March 2022
Training at the moment continues to be undertaken virtually and the support of our employees remains a priority, so we continue to respond to issues and provide new equipment during this time. In addition we also remain committed to our employee's mental health during these unsettling times and ensure that all managers are communicating on a regular basis. In addition the Chief Executive sends out to all staff a weekly letter which contains all council and Covid-19 updates, this has proven to be very popular and effective. All staff are being encouraged to attend for regular testing at the no-symptom centres and majority of staff are being tested on a 2 weekly basis.	Director (Communities)	Ongoing to March 2022

Required Management Action		Lead Officer(s)	Target Date		
Continue to operate the Joint Staff forum to update the workforce on key issues regarding the Council and give employees the opportunity to raise any concerns they may have. Deliver the IIP action plan. Continue to actively proactively and positively engage with Trade Unions. Continue communication to promote Occupational Health, the Employee Assistance Programme and the Mental Health Champions as further confidential support services for staff.		Director (Communities)	Jan 2022		
A small group of staff continue to lead on the Covid compliant plans for all Civic Buildings. Regular checks are carried out to ensure compliance and we continue to adjust and change our working practices to ensure compliance with government advice. Our good working practices include additional screens, an enhanced cleaning regime, one way systems, virtual meetings and reduced occupancy in office environments to deal with the one metre distancing rules.		Director (Communities)	Jan 2022		
Plans have been updated in line with Covid-19 changes and are currently being reviewed in line with the County approach to the Brexit withdrawal arrangements.		Management Team	Ongoing March 2022		
Target for end of the 2021-2022 year					
Likelihood	4	Impact	3	Score	12

The Risk		Cyberattack resulting in data breach or corruption of data						Risk No.		4	
Assessment Date		January 2021									
INHERENT RISK SCORE						RESIDUAL RISK SCORE					
Likelihood	4	Impact	4	Score	16	Likelihood	3	Impact	4	Score	12
Cabinet Portfolio		Leader									
Risk Background		As more reliance grows on IT Systems the risks surrounding a cyberattack disrupting those systems becomes more important. Whilst there is no specific targeted threat to local government (confirmed by the National Cyber Security Centre), criminal activity via Cyber methods remains the most likely motivation. Since the onset of the Covid-19 pandemic there has been a significant increase in cybercrime as noted in the NCSC Annual Review 2020. Whilst technical and non-technical controls can be put in place to reduce the ease at which an IT Infrastructure can be attacked, unknown vulnerabilities (zero day threats) and / or a determined attacker can defeat even the most secure systems. The target dates specified for controls are marked as ongoing since constant management action is required to ensure we do not slip backwards with our arrangements and defences. Alongside protecting systems should be a well-practiced incident response plans.									
Consequences		• Unavailability of systems for normal use in service delivery. • Destruction of systems and data. • Theft of data for criminal use. • Financial loss. • Reputational damage. • Extended period to recover council services to usual business									
Controls already in place		• Technical security controls • Back up arrangements in place • Participation with relevant warning bodies • Direct engagement with cyber bodies • Improvements to existing controls • Expansion of Business Continuity Plan • Engagement with Local Resilience Partnership • Conduct cyberattack exercise scenario									
Key corporate documents and processes		Business Continuity Plans									
Risk Owner (s)		Director (Corporate Services)									

Additional actions required to further mitigate risk		
Required Management Action	Lead Officer(s)	Target Date
Due to other commitments the new web and email filtering capability has not been progressed, but existing control systems have been arranged to remain in place for a further year. The log monitoring system has been updated and the configuration reviewed.	Assistant Director (Transformation & IT)	Ongoing to March 2022
The existing offsite arrangements continue. The enhancements have been delayed by approximately six months. This is due to the physical delivery and installations not being possible due to the governments Covid-19 restrictions being in place at the time.	Assistant Director (Transformation & IT)	Ongoing to March 2022
Continue to be part of the Kent Warning, Advice and Reporting Points (WARP) Group. Continue to actively attend briefing events held by the National Cyber Security Centre.	Assistant Director (Transformation & IT)	Ongoing to March 2022
Continue to engage with the National Cyber Security Centre and make use of their Active Cyber defence tools. Continue to be active participants on the LGA Cyber Technical Advisory Group whose purpose is to promote best practice and awareness of cyber issues to the local government sector.	Assistant Director (Transformation & IT)	Ongoing to March 2022
Continue to proactively maintain arrangements to upgrade council devices and maintain the patch management solution (ensuring computers can be kept up to date with software updates), as well as the Mobile Device Management (MDM) and Secure Email solutions to better protect mobile devices. Implement further enhancements to MDM and USB device control. In light of the shift to working from home, additional enhancements have been made to our antivirus and end point management software to better serve users wherever they are located. Enhancements have also been made to our email system configuration to better protect the reputation and brand of our email domain, preventing use by unauthorised users. In a recent survey conducted of all local government email domains, Gravesham are in the top 1% for steps taken to protect our reputation.	Assistant Director (Transformation & IT)	Ongoing to March 2022
A new business continuity environment has now been built at Brookvale depot. Hardware is in place and the software to replicate systems is in the final stages of commissioning. The corporate move to the cloud based Microsoft 365 suite of products has also enabled additional business continuity resilience to be set up in the cloud.	Assistant Director (Transformation & IT)	Ongoing to March 2022
The Kent Resilience Forum have deferred this work due to the level of resources being required for Covid-19 response.	Assistant Director (Transformation & IT)	Ongoing to March 2022

Required Management Action				Lead Officer(s)	Target Date
Following on from deploying staff awareness training in July, an email phishing simulation is being planned for delivery in February 2021.				Assistant Director (Transformation & IT)	Ongoing to March 2022
Target for end of the 2021-2022 financial year					
Likelihood	3	Impact	3	Score	9

The Risk		Investment risk					Risk No.		5		
Assessment Date		January 2021									
INHERENT RISK SCORE						RESIDUAL RISK SCORE					
Likelihood	5	Impact	3	Score	15	Likelihood	5	Impact	2	Score	10
Cabinet Portfolio		Leader									
Risk Background		As part of its strategy to respond to a decade of significant and sustained cuts, over the last four years the council has increased its exposure to investment risk and commercial risk through the diversification of its investment activity and Property Acquisition Strategy. The council holds £20m of investments in Multi-Asset Funds and Property Funds; this provides greater opportunities for the council to generate investment yields beyond those offered by traditional banks and building societies, but also greater exposure to fluctuations in the capital value of the investments held. To date, the Property Acquisition Strategy has secured interests in seven commercial property holdings valued at £22m, generating some £1.5m in rental income per annum. The strategy does, however, expose the council to risks around movements in commercial property values and the strength of financial standing of the tenants of these properties. The Covid-19 pandemic has realised these risks, affecting investment and commercial rental returns. Whilst the impact is assessed as significant, it has not yet seriously impacted the council's financial position and ability to deliver services. The financial impacts may be felt, however, for a number of years as the economy recovers.									
Consequences		- Investments do not perform as expected. E.g. due to economic downturn, which impacts on the balance sheet value of assets. - Greater exposure to risk of void periods and loss of income if commercial tenants fail or hand back premises when their lease allows. - Landlord responsibilities on commercial properties exceed anticipated levels e.g. due to increased void periods and associated outgoings such as empty rates, utility, maintenance and refurbishment costs. - Spending plans are based on levels of commercial rental income and investment income that are not achieved, affecting core council service delivery. - Balance sheet value of assets is eroded. - Negative impact on council reputation									
Controls already in place		- Treasury and Investment Framework. - Monitoring and review of treasury activity. - Financial protection. - Professional advice and support.									
Key corporate documents and processes		- Treasury Management Strategy. - Capital Strategy. - Property Acquisition Strategy.									
Risk Owner (s)		Director (Corporate Services)									

Additional actions required to further mitigate risk					
Required Management Action				Lead Officer(s)	Target Date
Continue to maintain the Treasury Management Strategy Statement, Capital Strategy and Property Acquisition Strategy to formalise the agreed parameters for investment.				Assistant Director (Corporate Services)	Ongoing to March 2022
Continue to provide and develop quarterly monitoring of treasury and commercial investment activity, to both officers and Members, to report and review performance of the diversified investment portfolio.				Assistant Director (Corporate Services)	Quarterly to March 2022
Maintain the commercial income protection reserve, the balance of which is set at 15% of investment income in any year. Continue the close working relationship between Financial Services and Property Services to enable early identification of any risks or opportunities from the council's commercial property portfolio.				Assistant Director (Corporate Services)	Ongoing to March 2022
Ensure that ongoing advice and support is sought from the council's Treasury and Economic advisors and other experts as required. Ensure that any new activity is subject to appropriate due diligence, including seeking advice and support from external experts as required.				Assistant Director (Corporate Services)	Ongoing to March 2022
Target for end of the 2021-2022 financial year					
Likelihood	3	Impact	3	Score	9

GRAVESHAM BOROUGH COUNCIL

CORPORATE RISK REGISTER

2021-2022

Gravesham's Corporate Risk Register is the result of an annual strategic risk management exercise conducted to identify, analyse and prioritise those risks that may affect the ability of the council to achieve its corporate objectives. The key risks facing the council were identified through discussion with Cabinet Members, Finance and Audit Committee Members, Members, Directors, Assistant Directors, Service Managers and other senior managers.

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- **Inadequate** – the action is either not already in place or is not mitigating the risk and therefore further work is required.

The following matrix is utilised when assessing whether a risk is a high, medium or low risk for the council:

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	IMPACT					

Guidance used for assessing Likelihood and Impact**Likelihood:**

Rating	Score	
Very High	5	On the evidence and knowledge of officers and members it is almost certain that this issue will occur sometime within the next year. The issue may have already occurred in previous years either at the council or elsewhere.
High	4	On the evidence and knowledge of officers and members it is very likely that this issue or event will occur in the coming year.
Medium	3	On the evidence and knowledge of officers and members the issue is more likely to occur than not in the coming year.
Low	2	On the evidence and knowledge of officers and members it is unlikely that this event will occur in the coming year. Occurrences of this risk have occurred in the past but occurrences are very few and far between.
Very Low	1	On the evidence and knowledge that this event would occur in either the coming year or in future years.

Impact:

Rating	Score	
Critical	4	The financial impact on the authority would threaten the council's financial stability. The delivery of service to the public could be affected either permanently or for a long duration and the council could not achieve its key objectives. There would be a seriously damaging impact on the council's reputation through poor media coverage.
Serious	3	The financial impact on the authority would be significant although would not threaten the stability of the councils financial position. Services would experience disruption with the delivery of services being affected for a number of days. Whilst the council's objectives would be met there would be significant delays in achieving them. The council would endure poor media coverage for a period of time affecting the council's reputation which would take some time to recover from.
Significant	2	There may be financial impact on the authority and/or the cost of mitigating the risk could exceed the financial implications of the risk there may be disruption to services and possibly delays in achieving the council's objectives. There may be poor media coverage which could affect the council in the long term.
Negligible	1	There is little or no financial impact of the risk to the authority. There would be no disruption to the delivery of the council's key objectives or frontline services. There is no risk of this risk impacting on the councils reputation

All risks identified for 2021-2022 and their assessments are plotted in the Heat Map and are summarised in the table below:

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5	Investment risk	15	10	9
6	Universal credit	15	6	9
7	Withdrawal of the United Kingdom from the European Union	6	6	6
8	Civil risk e.g. flooding, major disaster etc.	12	9	9
9	Digital transformation and remote working	4	2	2

The risks that have generated a “High Risk” score can be seen coloured in red and these have therefore been included in the 2021-2022 Corporate Risk Register.

Risk Heat Map (Residual Risk)

LIKELIHOOD	Very High	5			2,3	
	High	4			1,4	
	Medium	3		7	8	5
	Low	2		9	6	
	Very Low	1				
	High Risk		1	2	3	4
	Medium Risk		Negligible	Significant	Serious	Critical
	Low Risk		IMPACT			

Given that the council works in an ever-changing environment it will be necessary to conduct similar risk management exercises on a periodic basis. Progress against management actions recorded in the register will be reviewed on a six-monthly basis by the Finance and Audit Committee.

As a contribution to good corporate governance, risk management also forms a part of the annual business planning process – each departmental business plan has a specific service risk register to identify the key risks facing that service. This reinforces the corporate risk management approach through each Service Manager giving proper formal consideration to both corporate and operational risks

The Risk		Ongoing financial viability of the Council							Risk No.		1	
Assessment Date		January 2021										
INHERENT RISK SCORE						RESIDUAL RISK SCORE						
Likelihood	5	Impact	4	Score	20	Likelihood	4	Impact	3	Score	12	

Cabinet Portfolio	Leader of the Executive (but affects all portfolios)										
Risk Background	Over the last decade Gravesham Borough Council, along with the rest of local government, has experienced significant and sustained cuts to its funding whilst demand on services has risen. The Council proactively responded to these financial challenges by implementing a programme of activity designed to increase income and reduce expenditure, successfully delivering £4.25m of base budget reduction by 2020. New financial challenges have arisen due to the Covid-19 pandemic. The Council has experienced immediate losses in-year against collection against key income lines such as council tax, business rates, car parking and investment income. These income lines are likely to take a period of time to recover and, in some instances, may take a significant time to recover to pre-covid levels. There also remains great uncertainty around the way in which local government will be funded in the future; many central government funding announcements have been put on hold this year due to parliamentary and government departmental time being diverted to responding to the Covid-19 pandemic and the end of the transition period of the UK leaving the EU. Local government finds itself once again being issued with a single year settlement, with no certainty of the mechanism by which local government will be funded in future years, making longer term planning extremely challenging.										
Consequences	• Inability to plan effectively due to the lack of clarity around the future level of government funding support and how the business rates retention scheme will operate in practice. • Potential for MHCLG to reduce the total funding available to the council (including retained business rates) beyond the levels projected in the MTFP to support other departmental funding pressures. • Council exposed to increased financial risk and volatility from changes to funding and any redesigned business rates scheme. • Unplanned cuts in services needed and/or drop in quality of delivery, potentially leading to damage to Council's reputation. • Financial savings not achieved. • Budgets exceeded and/or reserves depleted. • Problems stored up for the future. • Minimum working balance of £2 million is not maintained. • New legislative requirements not met. • Uncertainty over future large projects. • Potential for infrastructure to deteriorate. • Potential for the introduction of further statutory discounts for Business Rates payers without compensation from central										

	government.				
Controls already in place	• Medium Term Financial Strategy in place • Medium Term Financial Plan in place • Robust budget monitoring arrangements in place				
Key corporate documents and processes	Medium Term Financial Strategy Medium Term Financial Plan Budget monitoring process				
Risk Owner (s)	Director (Corporate Services); Assistant Director (Corporate Services)				
Additional actions required to further mitigate risk					
Required Management Action			Lead Officer(s)		Target Date
Continue to review reserves and working balance annually to assess financial sustainability and appropriateness of working balances and reserves as a means to manage cash flow, future requirements and unexpected events. Continue the council's financial strategy objectives and the core principles that underpin these. Development of a new Medium Term Financial Strategy for the council once the outcomes of the Fair Funding Review, Retained Business Rates Scheme design and other local government funding reform are known.			Director (Corporate Services) Assistant Director (Corporate Services)		February 2022
Continued maintenance of the Medium Term Financial Plan. Modelling of the effects of the Fair Funding review, Retained Business Rates Retention Scheme and other local government funding reform once known.			Director (Corporate Services) Assistant Director (Corporate Services)		Ongoing to March 2022
Continue the programme of development for the council's Financial Management System. Ensure adequate compliance with budget monitoring arrangements. Continue to proactively respond to central government consultations on funding for local government.			Assistant Director (Corporate Services)		Ongoing to March 2022
Target for end of the 2021-2022 financial year					
Likelihood	3	Impact	3	Score	9

The Risk		Changes in national priorities and legislative change					Risk No.		2		
Assessment Date		January 2021									
INHERENT RISK SCORE						RESIDUAL RISK SCORE					
Likelihood	5	Impact	4	Score	20	Likelihood	5	Impact	3	Score	15
Cabinet Portfolio		All Portfolios									
Risk Background		Good governance requires that the council is fully informed of legislation, national priorities including Nationally Significant Infrastructure Projects (NSIP) to ensure that it is best placed to respond to any implications for its operations or the Borough more widely. The last year has created new challenges in responding to the council in responding to government policy announcements, particularly at short notice as Central Government led the national response to the Covid-19 pandemic. As the country enters the recovery phase, further policy guidance and legislation is expected from this, in addition to legislative changes to respond to the end of the transition period of the UK exiting the EU. On enactment of relevant legislation, the council will potentially face new statutory duties, responsibilities or standards with which to adhere, potentially challenging existing services and working practices. In respect of NSIP, current proposals that are being progressed include: • Lower Thames Crossing (in Gravesham) • Thurrock Flexible Generation Plant (Tilbury) • London Resort (in Dartford/Gravesham) The council will need to ensure it has access to sufficient and appropriate resources to enable it to effectively respond to these proposals as further information is released.									
Consequences		• Change of strategic direction for the council. • Breakdown in governance controls and processes. • New legislative and regulatory duties not met and the potential for legal challenge. • Severe financial position, challenging the council's ability to deliver the corporate objectives and policy commitments within the Corporate Plan. • Logistical challenges to the delivery of council services and effectiveness of the council's supply chain. • Sustained levels of service underperformance, resulting in a failure to meet community needs and expectations. • Additional costs/workload pressures for staff impacting morale, sickness absence and future recruitment and retention. • Increased scrutiny from Members, agencies, media and community stakeholders / reputational damage. • The council may need to redirect resources to enable responses to consultations and other processes quickly									

Controls already in place	• Timely policy insight. • Informing government policy. • Engagement with partner agencies. • Business continuity planning. • Member training and development. • Proactive briefing and information sharing arrangements between council departments, Members and staff.				
Key corporate documents and processes	Corporate Plan 2019-2023 Medium Term Financial Strategy and Medium Term Financial Plan				
Risk Owner (s)	Chief Executive and Management Team				
Additional actions required to further mitigate risk					
Required Management Action			Lead Officer(s)		Target Date
Circulation of monthly policy briefings and timely legislative updates.			Corporate Performance Manager		March 2022
Working alongside partner agencies (LGA etc.), deliver proactive responses to formal consultations and policy papers from central government to ensure Gravesham's strategic position is effectively represented.			Wider Management Team		Ongoing to March 2022
Ensure a strong commitment to the council's partnership working arrangements and sustaining Gravesham's involvement with key stakeholder agencies and working groups on a national and local basis including (but not exclusive to): - Local Government Association - District Councils Network - Kent Finance Officers Group - Kent Resilience Forum			Wider Management Team		Ongoing to March 2022
Business Continuity Plans to be reviewed and updated to ensure they remain fit for purpose.			Wider Management Team		March 2022
Member Training and Development Plan prepared and delivered to provide ongoing support all Members.			Committee Services Manager/Wider Management Team		March 2022
Develop effective working practices between departments to enable information sharing and coordination of responses on behalf of the council. Put in place a mechanism which enables regular updates to be provided to Members.			Director (Planning & Development)		March 2022
Target for end of the 2021-2022 financial year					
Likelihood	4	Impact	3	Score	12

The Risk		Organisational capacity/resilience							Risk No.		3	
Assessment Date		January 2021										
INHERENT RISK SCORE						RESIDUAL RISK SCORE						
Likelihood	5	Impact	4	Score	20	Likelihood	5	Impact	3	Score	15	

Cabinet Portfolio	Deputy Leader (but affects all portfolios)										
Risk Background	The council's Management Team have put in place a number of arrangements to help the effective direction of the council's finite staffing resources, including approval of all new appointments and the cessation of temporary staff contracts and non-contractual overtime (except in exceptional circumstances). This is intended to reduce the risk of key person dependency and poor resilience by recognising and improving organisational capacity and resilience where needed, identifying critical tasks, working flexibly across departments and developing the skills and abilities of key leaders and staff. In developing its working arrangements the council will also need to manage the aging operational buildings from which it delivers services to ensure these remain fit for purpose and capable of supporting its ways of working and the methods of access preferred by service users. The council also needs to ensure that it has plans in place to cope with other potential impacts on capacity which may result from severe weather, building damage or pandemic to ensure that key services can continue to be delivered, particularly in light of the current coronavirus outbreak. The council's workforce, particularly those office based staff, have needed to adapt to working practices due to the Covid -19 pandemic and there is an increase in the level of work completed remotely.										
Consequences	• Council unprepared for changes resulting in pressure being placed on resources, this in turn could lead to the council struggling to meet changes in demand for services. • Services areas with reduced staff will suffer a greater impact which in turn will add pressures on already stretched resources. • Increased organisational stress can negatively impact productivity, which in turn can reduce staff motivation, create low morale and increase sickness and stress levels. • The council will be required to provide additional help and support to overcome the problems that result from increased organisational stress. • Increases in liability claims and weaknesses in internal controls could result due to there being insufficient staff resources to carry out essential roles and responsibilities. • Cuts in services and a potential drop in service quality is also possible										
Controls already in place	Effective allocation of resources Flexible working arrangements Provision of training and support Workforce Support.										

Key corporate documents and processes	Corporate Business Plan 2019-2023 Workforce Development Plan	
Risk Owner (s)	Chief Executive and Management Team	
Additional actions required to further mitigate risk		
Required Management Action	Lead Officer(s)	Target Date
All requests for filling of vacant posts are reviewed by Management Team and in addition posts that have been vacant for over a year are reviewed on an annual basis. The shared service arrangements are reviewed on an annual basis to ensure that they continue to meet our objectives. Due to Covid-19 existing staff have been allocated to new tasks and others areas of work, this work is on-going.	Management Team	Ongoing to March 2022
A Task and Finish working group has been established to consider Homeworking/Flexible working arrangements going forward. Any necessary action plans identified by the working group, will be implemented to inform and shape future working arrangements and updates will be made to HR policies and procedures to support this. A full review of Apprenticeships and work experience is currently being reviewed and taken forward at the current time. Currently a large number of office based staff are home working, with a skeleton staff coming into the offices. We continue to review our working practices to ensure that our staff welfare is being considered during this unsettling times, but also that the service we provide to our residents remain unaffected.	Management Team	Ongoing to March 2022
Training at the moment continues to be undertaken virtually and the support of our employees remains a priority, so we continue to respond to issues and provide new equipment during this time. In addition we also remain committed to our employee's mental health during these unsettling times and ensure that all managers are communicating on a regular basis. In addition the Chief Executive sends out to all staff a weekly letter which contains all council and Covid-19 updates, this has proven to be very popular and effective. All staff are being encouraged to attend for regular testing at the no-symptom centres and majority of staff are being tested on a 2 weekly basis.	Director (Communities)	Ongoing to March 2022

Required Management Action			Lead Officer(s)	Target Date	
Continue to operate the Joint Staff forum to update the workforce on key issues regarding the Council and give employees the opportunity to raise any concerns they may have. Deliver the IIP action plan. Continue to actively proactively and positively engage with Trade Unions. Continue communication to promote Occupational Health, the Employee Assistance Programme and the Mental Health Champions as further confidential support services for staff.			Director (Communities)	Jan 2022	
A small group of staff continue to lead on the Covid compliant plans for all Civic Buildings. Regular checks are carried out to ensure compliance and we continue to adjust and change our working practices to ensure compliance with government advice. Our good working practices include additional screens, an enhanced cleaning regime, one way systems, virtual meetings and reduced occupancy in office environments to deal with the one metre distancing rules.			Director (Communities)	Jan 2022	
Plans have been updated in line with Covid-19 changes and are currently being reviewed in line with the County approach to the Brexit withdrawal arrangements.			Management Team	Ongoing March 2022	
Target for end of the 2021-2022 year					
Likelihood	4	Impact	3	Score	12

The Risk		Cyberattack resulting in data breach or corruption of data						Risk No.		4	
Assessment Date		January 2021									
INHERENT RISK SCORE						RESIDUAL RISK SCORE					
Likelihood	4	Impact	4	Score	16	Likelihood	3	Impact	4	Score	12
Cabinet Portfolio		Leader									
Risk Background		As more reliance grows on IT Systems the risks surrounding a cyberattack disrupting those systems becomes more important. Whilst there is no specific targeted threat to local government (confirmed by the National Cyber Security Centre), criminal activity via Cyber methods remains the most likely motivation. Since the onset of the Covid-19 pandemic there has been a significant increase in cybercrime as noted in the NCSC Annual Review 2020. Whilst technical and non-technical controls can be put in place to reduce the ease at which an IT Infrastructure can be attacked, unknown vulnerabilities (zero day threats) and / or a determined attacker can defeat even the most secure systems. The target dates specified for controls are marked as ongoing since constant management action is required to ensure we do not slip backwards with our arrangements and defences. Alongside protecting systems should be a well-practiced incident response plans.									
Consequences		• Unavailability of systems for normal use in service delivery. • Destruction of systems and data. • Theft of data for criminal use. • Financial loss. • Reputational damage. • Extended period to recover council services to usual business									
Controls already in place		• Technical security controls • Back up arrangements in place • Participation with relevant warning bodies • Direct engagement with cyber bodies • Improvements to existing controls • Expansion of Business Continuity Plan • Engagement with Local Resilience Partnership • Conduct cyberattack exercise scenario									
Key corporate documents and processes		Business Continuity Plans									
Risk Owner (s)		Director (Corporate Services)									

Additional actions required to further mitigate risk		
Required Management Action	Lead Officer(s)	Target Date
Due to other commitments the new web and email filtering capability has not been progressed, but existing control systems have been arranged to remain in place for a further year. The log monitoring system has been updated and the configuration reviewed.	Assistant Director (Transformation & IT)	Ongoing to March 2022
The existing offsite arrangements continue. The enhancements have been delayed by approximately six months. This is due to the physical delivery and installations not being possible due to the governments Covid-19 restrictions being in place at the time.	Assistant Director (Transformation & IT)	Ongoing to March 2022
Continue to be part of the Kent Warning, Advice and Reporting Points (WARP) Group. Continue to actively attend briefing events held by the National Cyber Security Centre.	Assistant Director (Transformation & IT)	Ongoing to March 2022
Continue to engage with the National Cyber Security Centre and make use of their Active Cyber defence tools. Continue to be active participants on the LGA Cyber Technical Advisory Group whose purpose is to promote best practice and awareness of cyber issues to the local government sector.	Assistant Director (Transformation & IT)	Ongoing to March 2022
Continue to proactively maintain arrangements to upgrade council devices and maintain the patch management solution (ensuring computers can be kept up to date with software updates), as well as the Mobile Device Management (MDM) and Secure Email solutions to better protect mobile devices. Implement further enhancements to MDM and USB device control. In light of the shift to working from home, additional enhancements have been made to our antivirus and end point management software to better serve users wherever they are located. Enhancements have also been made to our email system configuration to better protect the reputation and brand of our email domain, preventing use by unauthorised users. In a recent survey conducted of all local government email domains, Gravesham are in the top 1% for steps taken to protect our reputation.	Assistant Director (Transformation & IT)	Ongoing to March 2022
A new business continuity environment has now been built at Brookvale depot. Hardware is in place and the software to replicate systems is in the final stages of commissioning. The corporate move to the cloud based Microsoft 365 suite of products has also enabled additional business continuity resilience to be set up in the cloud.	Assistant Director (Transformation & IT)	Ongoing to March 2022
The Kent Resilience Forum have deferred this work due to the level of resources being required for Covid-19 response.	Assistant Director (Transformation & IT)	Ongoing to March 2022

Required Management Action				Lead Officer(s)	Target Date
Following on from deploying staff awareness training in July, an email phishing simulation is being planned for delivery in February 2021.				Assistant Director (Transformation & IT)	Ongoing to March 2022
Target for end of the 2021-2022 financial year					
Likelihood	3	Impact	3	Score	9

The Risk		Investment risk					Risk No.		5		
Assessment Date		January 2021									
INHERENT RISK SCORE						RESIDUAL RISK SCORE					
Likelihood	5	Impact	3	Score	15	Likelihood	5	Impact	2	Score	10
Cabinet Portfolio		Leader									
Risk Background		As part of its strategy to respond to a decade of significant and sustained cuts, over the last four years the council has increased its exposure to investment risk and commercial risk through the diversification of its investment activity and Property Acquisition Strategy. The council holds £20m of investments in Multi-Asset Funds and Property Funds; this provides greater opportunities for the council to generate investment yields beyond those offered by traditional banks and building societies, but also greater exposure to fluctuations in the capital value of the investments held. To date, the Property Acquisition Strategy has secured interests in seven commercial property holdings valued at £22m, generating some £1.5m in rental income per annum. The strategy does, however, expose the council to risks around movements in commercial property values and the strength of financial standing of the tenants of these properties. The Covid-19 pandemic has realised these risks, affecting investment and commercial rental returns. Whilst the impact is assessed as significant, it has not yet seriously impacted the council's financial position and ability to deliver services. The financial impacts may be felt, however, for a number of years as the economy recovers.									
Consequences		• Investments do not perform as expected. E.g. due to economic downturn, which impacts on the balance sheet value of assets. • Greater exposure to risk of void periods and loss of income if commercial tenants fail or hand back premises when their lease allows. • Landlord responsibilities on commercial properties exceed anticipated levels e.g. due to increased void periods and associated outgoings such as empty rates, utility, maintenance and refurbishment costs. • Spending plans are based on levels of commercial rental income and investment income that are not achieved, affecting core council service delivery. • Balance sheet value of assets is eroded. • Negative impact on council reputation									
Controls already in place		• Treasury and Investment Framework. • Monitoring and review of treasury activity. • Financial protection. • Professional advice and support.									
Key corporate documents and processes		• Treasury Management Strategy. • Capital Strategy. • Property Acquisition Strategy.									
Risk Owner (s)		Director (Corporate Services)									

Additional actions required to further mitigate risk					
Required Management Action				Lead Officer(s)	Target Date
Continue to maintain the Treasury Management Strategy Statement, Capital Strategy and Property Acquisition Strategy to formalise the agreed parameters for investment.				Assistant Director (Corporate Services)	Ongoing to March 2022
Continue to provide and develop quarterly monitoring of treasury and commercial investment activity, to both officers and Members, to report and review performance of the diversified investment portfolio.				Assistant Director (Corporate Services)	Quarterly to March 2022
Maintain the commercial income protection reserve, the balance of which is set at 15% of investment income in any year. Continue the close working relationship between Financial Services and Property Services to enable early identification of any risks or opportunities from the council's commercial property portfolio.				Assistant Director (Corporate Services)	Ongoing to March 2022
Ensure that ongoing advice and support is sought from the council's Treasury and Economic advisors and other experts as required. Ensure that any new activity is subject to appropriate due diligence, including seeking advice and support from external experts as required.				Assistant Director (Corporate Services)	Ongoing to March 2022
Target for end of the 2021-2022 financial year					
Likelihood	3	Impact	3	Score	9

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